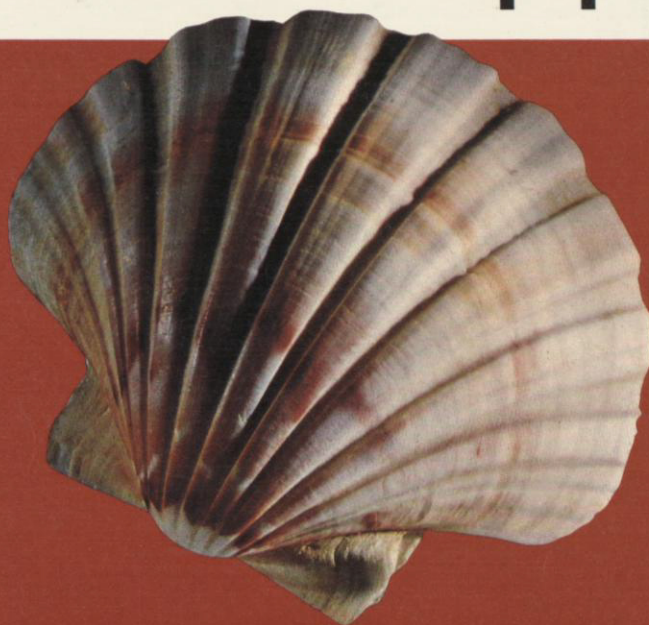


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Shell Oil Company

1974 Annual Report
Statistical Supplement



Shell Oil Company
One Shell Plaza
Houston, Texas 77002

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Shell Oil Company 1974 Annual Report Statistical Supplement

This report supplements Shell Oil Company's 1974 Annual Report to Shareholders, and has been issued to provide additional information on the financial and operating progress of the Company.

It is not a circular or prospectus regarding any security or stock of the Company, nor is it issued in connection with any sale, or offer for sale of, or solicitation of any offer to buy any securities.

Ten Year Review of Shell's Financial and Operating Data

Shell Oil Company and its consolidated subsidiaries (hereinafter referred to as "Shell") form an integrated enterprise operating mainly in the United States. It had its beginnings in 1912 with two small concerns, one in Seattle, the other in Tulsa. In the ensuing 62 years these have evolved into the present nationwide organization with total assets exceeding \$6 billion and annual sales exceeding \$7 billion.

Compared with other integrated companies in the petroleum industry, Shell believes that it ranks third in domestic crude oil and natural gas liquids production, second in domestic refinery runs and third in domestic refined product sales. Its chemical division is a leader among domestic chemical companies and the research division is one of the largest research organizations in the U.S. petroleum industry.

Shell Oil Company (hereinafter referred to as the "Company") is incorporated in Delaware. Approximately 69 percent of its shares of common stock is beneficially owned by Shell Petroleum N.V., a Netherlands company

the voting shares of which, in turn, are owned 60 percent by Royal Dutch Petroleum Company and 40 percent by the "Shell" Transport and Trading Company, Limited.

TEN YEAR REVIEW

Total capital expenditures during the review period, 1965-74, amounted to \$6.1 billion and exploratory expense was \$936 million. During the same period, funds provided from operations amounted to \$6.8 billion; after dividends to shareholders of \$1.5 billion, \$5.3 billion remained for reinvestment in the business, and this was supplemented with funds from outside sources. New borrowings were \$983 million and an additional \$304 million was realized through a common stock offering in 1968.

Exploration and Production (E & P)

Production and Reserves

The Company produces crude oil and natural gas liquids and natural gas in 17

states, in the Gulf of Mexico, and in Cook Inlet, offshore Alaska.

Net production of crude oil and natural gas liquids increased from 431,000 barrels per day in 1965 to a peak of 638,000 daily in 1972. Production was 586,000 barrels per day in 1974. Net natural gas production rose from 1,626 million cubic feet per day in 1965 to 2,548 million in 1970. It has declined from that point to 2,050 million cubic feet per day in 1974.

During the same period, estimated net proved reserves of liquid hydrocarbons declined from 2.5 billion barrels in 1965 to 1.9 billion at the end of 1974; and net proved reserves of natural gas declined from 10.9 trillion cubic feet in 1965 to 7.4 trillion in 1974.

E & P Capital and Exploratory Expenditures

For the nine years beginning with 1965, Shell's capital expenditures devoted to exploration and production amounted to an average \$291 million annually or 51% of total capital expenditures. In 1974 these expenditures were \$628 million, or 68% of the total, reflecting the

increased emphasis on finding and producing new reserves. In addition, geological, geophysical, land and other finding costs charged to expense averaged \$89 million for the first nine years of the period; for 1974 they amounted to \$136 million.

Manufacturing — Transportation & Supplies — Petroleum and Chemical Products Marketing (MTM/Chemical)

Petroleum Products

The more important products manufactured by the Company are motor gasolines, aviation fuels, heating oils, fuel oils, lubricating oils and greases, and asphalts. The Company does not produce enough crude oil to meet its refinery requirements and, therefore, supplements its own production by the purchase of domestic and foreign crude oil.

Shell's volumes of petroleum products manufactured, transported and marketed grew during the nine years 1965-1973, declining slightly in

1974 due primarily to the Federal Mandatory Crude Oil Allocation Program which became effective in February, 1974. Refined product sales increased from 830,000 barrels per day in 1965 to 1,136,000 barrels per day in 1973. Volume in 1974 was 1,060,000 barrels per day.

Chemical Products

The Company manufactures a wide variety of chemicals. These include primary products such as olefins, alcohols and other solvents, chemical intermediates and vinyl chloride monomer, plastics and resins, and agricultural chemicals including herbicides and insecticides. In addition, refined products such as benzene and other aromatics, petroleum waxes, naphthas and other specialties manufactured in the Company's refineries are marketed as chemicals.

Chemical revenues have increased from \$359 million in 1965 to \$1.2 billion in 1974, and amounted to 15 % of total operating revenues (excluding consumer excise and sales taxes) in 1974.

Capital Expenditures

Capital expenditures for the MTM/Chemical function during the 10-year period averaged \$257 million annually, or about 40 % of all capital expenditures. Highest manufacturing expenditures were made in the late 1960's for substantial expansion of oil and chemical manufacturing facilities. Marketing capital expenditures peaked in the early 1970's when facilities for marketing a third grade of gasoline (unleaded) were installed.

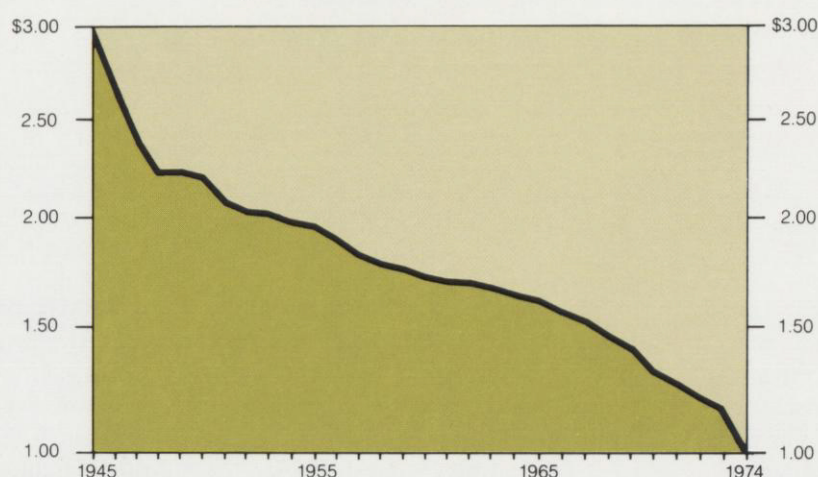
Research

At the end of 1974, 1,700 employees were engaged in research and development. Research and development expense for 1974 totaled \$81 million of which about 70 % was spent on Company-sponsored research activities relating to the improvement of existing and the development of new products, and the balance on Company-sponsored research activities relating to exploration and production.

A glossary of financial and operating terms used in this supplement appears on pages 36 and 37.

Supplementary Price Level Adjusted Financial Information

**Purchasing Power of the Dollar
(Fourth Quarter 1974 = \$1.00)***



*Based on fourth quarter 1974 GNP Implicit Price Deflator.

The accelerating decline in the value of the U.S. dollar has focused attention on the inadequacies of traditional measurements of income and wealth. Financial statements prepared under generally accepted accounting principles report the actual number of dollars received or expended without regard to changes in the purchasing power of the currency. Investments made over extended periods of time are added together as though the dollars involved were common units of measurement. Amortization of these prior period costs is deducted from current period revenues

in calculations of net income. As shown in the chart above, the dollar's value has changed materially and this change should be considered for a proper assessment of economic progress.

Individual business enterprises are affected differently by inflation. Holders of monetary assets, such as cash or receivables, lose purchasing power during inflationary periods since these assets will purchase fewer goods and services in time. Conversely, holders of liabilities benefit during such periods because less purchasing power will be

required to satisfy their obligations. Rates of return and other financial ratios are also influenced greatly by the age of the investments and subsequent changes in the value of the dollar. For example, a capital asset acquired in 1965 for \$1 is restated to \$1.60 in terms of 1974 dollars in the 1974, 1973 and 1972 supplementary information and depreciation is similarly restated. Such historical financial information adjusted for changes in the purchasing power of the dollar is believed to provide a useful measure of financial performance.

Explanatory Note

The accompanying supplementary price level adjusted financial information, expressed in terms of December 31, 1974 dollars, is based on the historical dollar financial information which is also presented in adjoining columns for comparative purposes. Both the supplementary and historical financial information presented here should be read in conjunction with the notes and other financial statement information in the Annual Report. The supplementary price level information reflects adjustments only for changes that have occurred in the general purchasing power of the dollar as measured by the Gross National Product Implicit Price Deflator. The amounts shown, therefore, do not purport to represent appraised value, replacement cost, or any other measure of the current value of assets. The Accounting Principles Board Statement

No. 3 and a Proposed Statement of Financial Accounting Standards, which give general guidance on how to prepare and present price level financial statements, reflect deferred income taxes as non-monetary items. For purposes of Shell's general price level restatement, such balances were classified as monetary items because Shell believes that when reversals of such tax differences take place, they give rise immediately to taxable income and to additional taxes payable in current dollars at that time. Had Shell followed the nonmonetary treatment for deferred income taxes, restated net income would have been \$23.5, \$12.5, and \$1.2 million less in 1974, 1973 and 1972 and restated shareholders' equity would have been \$102.1, \$78.6 and \$66.1 million less for these years.

CURRENT DOLLARS*

HISTORICAL DOLLARS

(Millions of dollars except per share amounts)

Summary Statement of Income

	1974	1973	1972	1974	1973	1972
Revenues	\$8,866.7	\$6,614.4	\$5,876.1	\$8,493.0	\$5,749.6	\$4,849.8
Costs and expenses:						
Depreciation, depletion, etc.	654.2	626.5	585.4	502.9	441.7	396.8
Income, operating and consumer taxes	1,320.2	1,236.2	1,163.6	1,264.5	1,074.6	960.4
Interest & discount amortization on indebtedness	63.5	69.9	72.0	60.8	60.8	59.4
Other costs & expenses	6,317.3	4,426.2	3,866.1	6,044.3	3,839.8	3,172.7
Income before purchasing power gain or loss on monetary items	\$ 511.5	\$ 255.6	\$ 189.0	\$ 620.5	\$ 332.7	\$ 260.5
Purchasing power gain (loss) on:						
Long term debt	117.0	82.9	36.4	—	—	—
Other monetary items	(5.1)	(4.8)	2.2	—	—	—
Net income	\$ 623.4	\$ 333.7	\$ 227.6	\$ 620.5	\$ 332.7	\$ 260.5

Summary Balance Sheet

Current assets	\$2,161.7	\$1,953.4	\$1,925.2	\$2,072.2	\$1,713.1	\$1,596.1
Investments & long term receivables	129.5	110.3	106.1	116.0	91.7	84.1
Properties, plant & equipment (net)	5,146.6	4,906.7	4,923.3	3,905.3	3,526.9	3,438.9
Deferred charges	42.3	61.4	67.5	35.4	49.5	52.5
Current liabilities	1,272.6	1,097.4	1,113.4	1,272.6	981.6	928.2
Long term debt	976.6	1,119.0	1,230.3	976.6	1,000.9	1,025.6
Deferred credits—federal income taxes	320.0	339.5	351.4	320.0	303.6	292.8
Shareholders' equity	\$4,910.9	\$4,475.9	\$4,327.0	\$3,559.7	\$3,095.1	\$2,925.0

Per Share Data†

Net income	\$ 9.25	\$ 4.95	\$ 3.38	\$ 9.21	\$ 4.94	\$ 3.86
Cash dividends	\$ 2.56	\$ 2.76	\$ 2.91	\$ 2.45	\$ 2.40	\$ 2.40

Ratios (see definitions on page 36)

Return on shareholders' equity	13.9%	7.7%	5.3%	20.0%	11.4%	9.2%
Return on total capital	11.7%	6.6%	5.0%	16.0%	9.2%	8.0%
Net income: revenues**	7.7%	5.9%	4.6%	8.1%	6.7%	6.3%
Dividends: net income	27.7%	55.7%	86.1%	26.6%	48.6%	62.1%
Debt: total capital	16.6%	20.0%	22.1%	21.5%	24.4%	26.0%

*Based on purchasing power dollars at December 31, 1974.

†Per weighted average share outstanding each year.

**Excluding consumer excise and sales taxes.

REPORT OF INDEPENDENT ACCOUNTANTS**To the Board of Directors and Shareholders of Shell Oil Company:**

We have examined the financial statements of Shell Oil Company appearing in the Annual Reports to Shareholders for the years 1974, 1973 and 1972, which are covered by our reports dated February 4, 1975 and February 4, 1974. Those financial statements do not reflect the changes in the general purchasing power of the U.S. dollar from the time transactions took place. We have also examined the supplementary information for the years 1974, 1973 and 1972 restated for effects of changes in the general price level as described in the Explanatory Note on page 4. In our opinion, the supplementary Summary Statement of Income, Summary Balance Sheet and Per Share Data shown above present fairly the historical financial information restated in terms of the general purchasing power of the U.S. dollar at December 31, 1974 in accordance with guidelines, consistently applied, recommended in Accounting Principles Board Statement No. 3 and a Proposed Statement of Financial Accounting Standards, except for the treatment, with which we concur, of deferred income taxes as monetary items.

1200 Milam Street
Houston, Texas 77002
February 4, 1975

Price Waterhouse & Co.

Financial and Operating Summary

(Dollars in millions except per share amounts)

1974

Income Accounts

Revenues	\$8,493.0
Net income	\$ 620.5
Funds provided from operations	\$1,139.7

Capital Accounts

Properties, plant and equipment	\$7,462.5
Accumulated depreciation, depletion and amortization	3,557.2
Net properties, plant and equipment	\$3,905.3
Long term debt less unamortized discount	\$ 976.6
Current assets	\$2,072.2
Current liabilities	1,272.6
Working capital	\$ 799.6
Gross investment	\$8,413.5
Shareholders' equity	\$3,559.7

Ratios

Return on shareholders' equity (%)	20.0
Return on total capital (%)	16.0
Cash income as a % of gross investment	15.2

Per Share

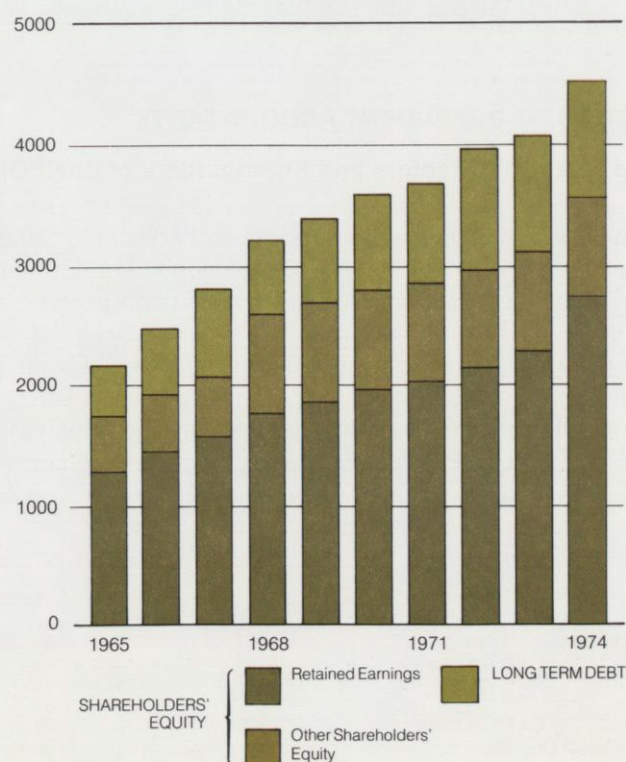
Net income*	\$ 9.21
Cash dividends	\$ 2.45
Shareholders' equity (at end of year)	\$ 52.70

Operating Summary

Refined products sold (thousands of barrels daily)	1,060
Refinery processing intakes (thousands of barrels daily)	1,030
Net crude oil and natural gas liquids produced (thousands of barrels daily)	586
Net natural gas produced (million cubic feet daily)	2,050
Capital expenditures	\$ 929.2
Salaries, wages and employee benefits	\$ 650.7
Number of employees at year end	32,287

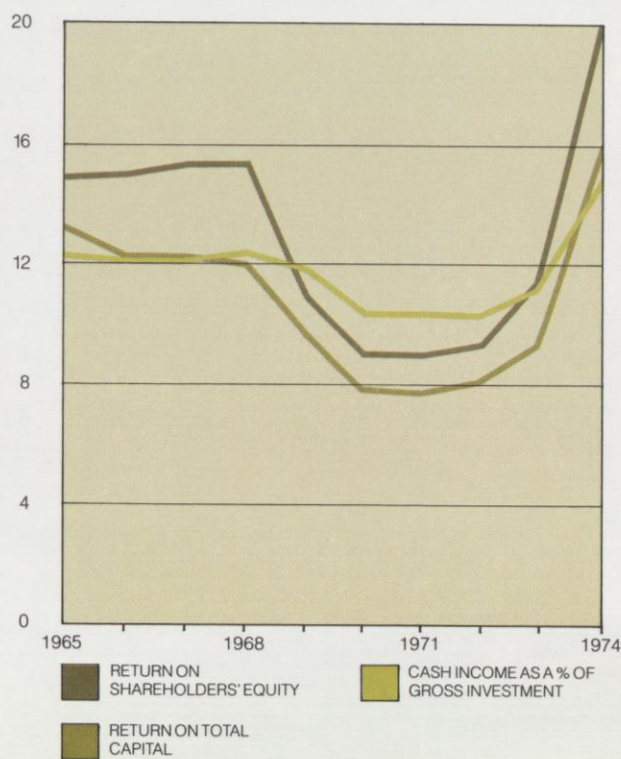
*Per weighted average share outstanding each year.

**Total Capital
(Millions of Dollars)**

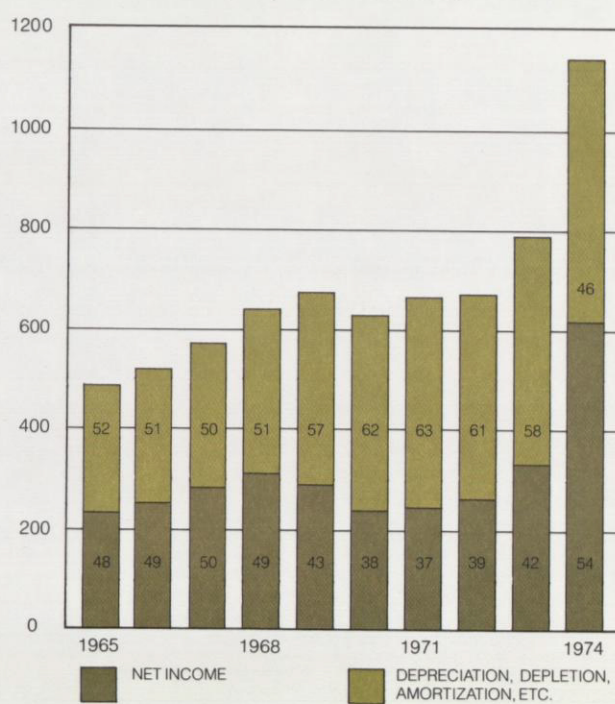


1973	1972	1971	1970	1969	1968	1967	1966	1965
5,749.6	4,849.8	4,623.8	4,330.7	4,276.1	4,007.7	3,672.8	3,390.9	3,102.7
332.7	260.5	244.5	237.2	291.2	312.1	284.8	255.2	234.0
785.1	668.6	662.2	628.5	673.7	639.3	569.8	521.7	487.4
6,836.1	6,557.7	6,275.2	6,076.4	5,675.9	5,272.2	4,880.9	4,486.0	4,092.7
3,309.2	3,118.8	3,003.0	2,819.7	2,643.9	2,494.4	2,324.3	2,237.1	2,137.0
3,526.9	3,438.9	3,272.2	3,256.7	3,032.0	2,777.8	2,556.6	2,248.9	1,955.7
1,000.9	1,025.6	836.8	835.8	711.5	672.3	718.7	553.1	415.5
1,713.1	1,596.1	1,234.4	1,232.6	1,255.1	1,403.2	1,061.7	984.4	891.6
981.6	928.2	701.9	755.6	724.6	797.9	661.5	609.3	521.1
731.5	667.9	532.5	477.0	530.5	605.3	400.2	375.1	370.5
7,708.8	7,362.2	6,947.4	6,672.9	6,275.5	5,926.4	5,322.8	4,901.2	4,501.0
3,095.1	2,925.0	2,826.0	2,743.0	2,667.6	2,537.9	2,067.3	1,897.9	1,750.8
11.4	9.2	8.9	8.9	11.5	15.1	15.0	14.6	14.5
9.2	8.0	7.6	7.7	9.6	11.8	12.3	12.3	12.9
11.1	10.1	10.3	10.3	11.7	12.3	12.0	11.9	12.1
4.94	3.86	3.63	3.52	4.32	4.72	4.66	4.19	3.85
2.40	2.40	2.40	2.40	2.40	2.30	2.10	1.90	1.70
45.94	43.40	41.93	40.71	39.59	37.66	33.80	31.14	28.82
1,136	1,068	1,020	1,005	1,008	966	921	872	830
1,085	1,001	966	912	901	859	820	753	719
631	638	629	595	548	532	514	474	431
2,268	2,460	2,542	2,548	2,490	2,201	2,046	1,834	1,626
580.6	590.9	450.5	634.8	628.8	554.1	618.9	564.0	530.7
570.5	559.4	539.4	531.1	503.4	464.2	434.8	397.1	362.5
32,080	32,871	35,000	36,754	38,998	39,080	38,330	37,058	34,548

Return on Investment (%)



Funds Provided From Operations (Millions of Dollars)



Note: Figures in bars represent % of Funds Provided From Operations.

Statement of Income

(Dollars in millions)

1974

Sales and Other Operating Revenue

Refined oil products	\$4,506.1
Chemical products	1,139.9
Crude oil	1,534.1
Natural gas	237.5
Other operating revenue	215.9
TOTAL	7,633.5

Dividends, Interest and Other Income 74.6

Consumer Excise and Sales Taxes 784.9

TOTAL REVENUES **8,493.0**

Costs and Expenses

Purchased raw materials and manufactured products	4,256.8
Operating costs and expenses	1,787.5
Income, operating and consumer taxes	1,264.5
Depreciation, depletion, amortization and retirements, including dry holes	502.9
Interest and discount amortization on indebtedness	60.8
TOTAL COSTS AND EXPENSES	7,872.5

Net Income **\$ 620.5**

Ratios

Net income as a % of revenues (excluding consumer excise and sales taxes)	8.1
Net income as a % of total assets	10.1
Fixed charge coverage (before income taxes)	16.2
Fixed charge coverage (after income taxes)	11.2

Statement of Financial Position

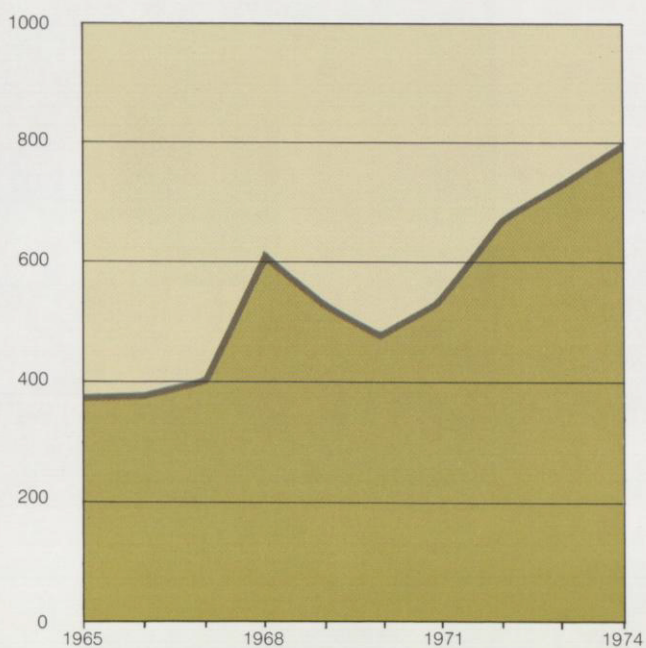
(Dollars in millions)

1974

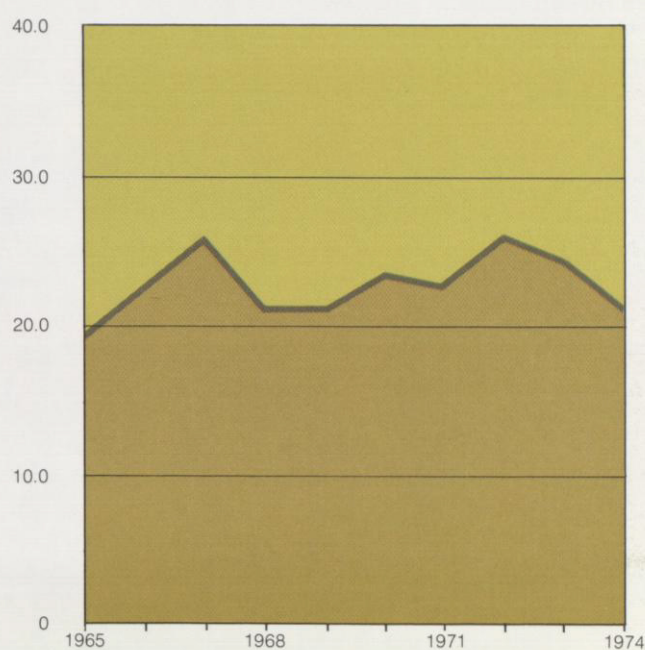
Current assets	\$2,072.2
Current liabilities	1,272.6
WORKING CAPITAL	799.6
Properties, plant and equipment	7,462.5
Accumulated depreciation, depletion and amortization	3,557.2
NET PROPERTIES, PLANT AND EQUIPMENT	3,905.3
Investments, long term receivables and deferred charges	151.4
TOTAL ASSETS LESS CURRENT LIABILITIES	\$4,856.3
DEDUCT:	
Long term debt less unamortized discount	\$ 976.6
Deferred credits— federal income taxes	320.0
TOTAL	1,296.6
SHAREHOLDERS' EQUITY (net assets)	\$3,559.7
Ratios	
Current assets/current liabilities	1.6
Cumulative depreciation, depletion and amortization as a	
% of gross property, plant and equipment	47.7
Long term debt as a % of total capital	21.5

1973	1972	1971	1970	1969	1968	1967	1966	1965
1,713.1	1,596.1	1,234.4	1,232.6	1,255.1	1,403.2	1,061.7	984.4	891.6
981.6	928.2	701.9	755.6	724.6	797.9	661.5	609.3	521.1
731.5	667.9	532.5	477.0	530.5	605.3	400.2	375.1	370.5
6,836.1	6,557.7	6,275.2	6,076.4	5,675.9	5,272.2	4,880.9	4,486.0	4,092.7
3,309.2	3,118.8	3,003.0	2,819.7	2,643.9	2,494.4	2,324.3	2,237.1	2,137.0
3,526.9	3,438.9	3,272.2	3,256.7	3,032.0	2,777.8	2,556.6	2,248.9	1,955.7
141.2	136.6	139.7	119.5	69.1	49.0	41.7	40.1	37.8
4,399.6	4,243.4	3,944.4	3,853.2	3,631.6	3,432.1	2,998.5	2,664.1	2,364.0
1,000.9	1,025.6	836.8	835.8	711.5	672.3	718.7	553.1	415.5
303.6	292.8	281.6	274.4	252.5	221.9	212.5	213.1	197.7
1,304.5	1,318.4	1,118.4	1,110.2	964.0	894.2	931.2	766.2	613.2
3,095.1	2,925.0	2,826.0	2,743.0	2,667.6	2,537.9	2,067.3	1,897.9	1,750.8
1.7	1.7	1.8	1.6	1.7	1.8	1.6	1.6	1.7
48.4	47.6	47.9	46.4	46.6	47.3	47.6	49.9	52.2
24.4	26.0	22.8	23.4	21.1	20.9	25.8	22.6	19.2

**Working Capital
(Millions of Dollars)**



Long Term Debt as a % of Total Capital



Statement of Changes in Financial Position

(Dollars in millions)

1974

Funds Provided

Net income	\$ 620.5
Depreciation, depletion, amortization and retirements	410.1
Dry hole costs (included in capital expenditures)	92.7
Deferred credits—federal income taxes (related to write-offs)	16.4
TOTAL PROVIDED FROM OPERATIONS	1,139.7

Increase in long term debt	19.5
Decrease in investments, long term receivables and deferred charges (less amounts included in capital expenditures)	20.0
Property sales, salvage, etc. (net)	17.8
Issuance or sale of Company shares	12.6
TOTAL	\$1,209.6

Funds Applied

Capital expenditures including dry hole costs	\$ 929.2
Dividends paid	165.1
Purchase of Company shares	3.4
Decrease in long term debt	43.8
Increase in investments, long term receivables and deferred charges (less amounts included in capital expenditures)	—
	1,141.5

Increase (decrease) in working capital:

Cash and short term securities	173.5
Receivables and prepayments	63.9
Inventories	121.7
Payables and accruals	(182.0)
Income, operating and consumer tax liabilities	(105.1)
Long term debt due within one year	(3.9)

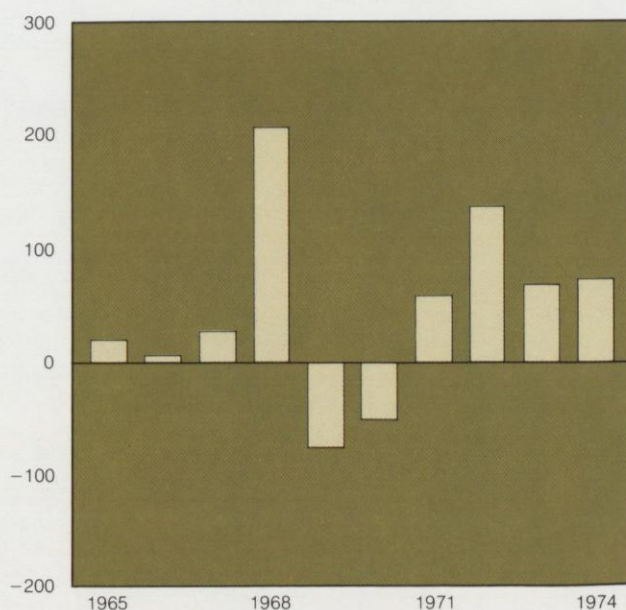
CHANGE IN WORKING CAPITAL **68.1**

TOTAL **\$1,209.6**

Ratios

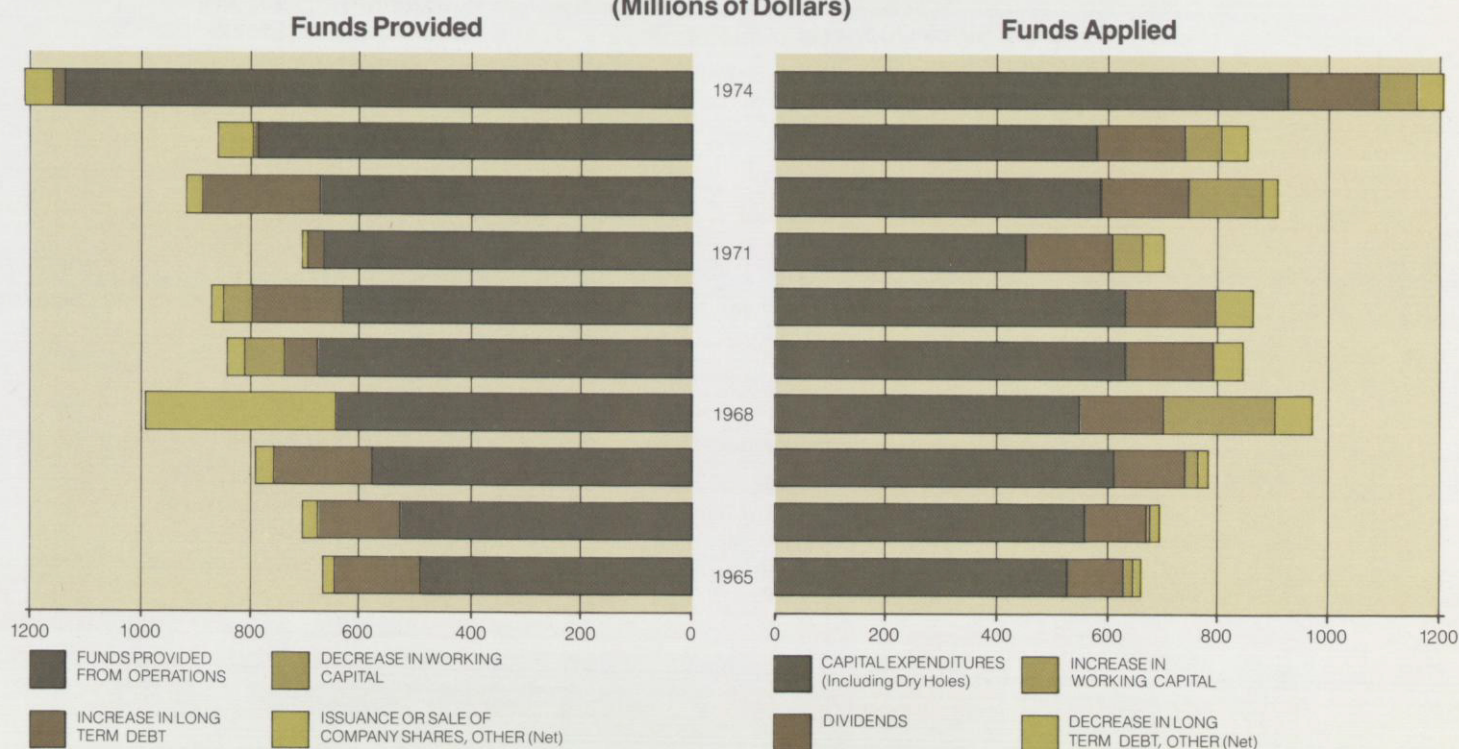
Funds provided from operations as a % of:	
Funds applied (excluding dividends)	109.1
Gross investment	13.5
Capital expenditures as a % of funds provided	76.8

**Changes in Working Capital
(Millions of Dollars)**



1973	1972	1971	1970	1969	1968	1967	1966	1965
332.7	260.5	244.5	237.2	291.2	312.1	284.8	255.2	234.0
369.1	345.8	355.9	310.9	288.7	273.1	233.1	198.2	180.5
72.6	51.0	54.7	58.5	63.1	44.8	44.2	52.8	48.7
10.7	11.3	7.1	21.9	30.7	9.3	7.7	15.5	24.2
785.1	668.6	662.2	628.5	673.7	639.3	569.8	521.7	487.4
11.5	214.0	26.0	166.7	60.0	—	178.1	150.0	157.0
10.0	4.3	—	—	—	—	—	—	3.0
36.3	26.2	13.7	16.4	22.7	14.8	25.5	18.5	5.5
10.2	.2	.3	.2	8.4	317.8	14.2	9.3	8.5
853.1	913.3	702.2	811.8	764.8	971.9	787.6	699.5	661.4
580.6	590.9	450.5	634.8	628.8	554.1	618.9	564.0	530.7
161.7	161.8	161.7	161.7	161.8	151.4	128.3	115.7	103.2
11.0	—	—	.3	8.1	7.9	1.3	1.6	1.1
36.2	25.2	25.0	41.5	20.8	46.3	12.5	12.4	8.9
—	—	9.5	27.0	20.1	7.2	1.5	1.2	—
789.5	777.9	646.7	865.3	839.6	766.9	762.5	694.9	643.9
64.1	192.6	(43.4)	(55.3)	(183.1)	280.5	(1.9)	(23.0)	89.4
41.4	189.6	30.4	13.4	2.2	57.2	49.6	79.9	12.8
11.5	(20.5)	14.8	19.4	32.8	3.7	29.7	26.3	(.5)
(32.2)	(206.0)	10.3	37.7	66.1	(121.4)	(61.6)	(47.7)	(52.1)
(23.4)	(17.3)	12.0	(32.2)	9.6	(14.4)	4.3	(27.2)	(31.4)
2.2	(3.0)	31.4	(36.5)	(2.4)	(.6)	5.0	(3.7)	(.7)
63.6	135.4	55.5	(53.5)	(74.8)	205.0	25.1	4.6	17.5
853.1	913.3	702.2	811.8	764.8	971.9	787.6	699.5	661.4
113.6	89.0	122.5	96.7	111.7	77.9	86.4	89.4	87.3
10.2	9.1	9.5	9.4	10.7	10.7	10.7	10.6	10.8
68.1	64.7	64.2	78.2	82.2	56.9	78.6	80.6	80.2

Changes in Financial Position (Millions of Dollars)



Shareholder Data

(Dollars in millions except per share amounts)

1974

Shareholders' Equity

Common stock	\$ 816.5
Retained earnings at beginning of year	2,287.8
Net income	620.5
Less cash dividends	165.1
Addition to retained earnings	455.4
TOTAL AT END OF YEAR	\$3,559.7

Shareholder Data

Net income per share*	\$ 9.21
Dividends per share	\$ 2.45
Common stock (year-end data in thousands)	
Number of shares authorized	80,000
Shares issued	67,570
Less shares held in treasury	21
SHARES OUTSTANDING	67,549
No. of shareholders at year-end	31,917
Market price (NYSE) at year-end	\$ 46 ³ / ₄
Price range during year: High	\$ 72 ⁷ / ₈
Low	\$ 30 ¹ / ₄
Price/earnings ratio: High	7.9
Low	3.3
Dividend yield % (average, based on high/low market price during the year)	4.8
Dividends as a % of net income	26.6

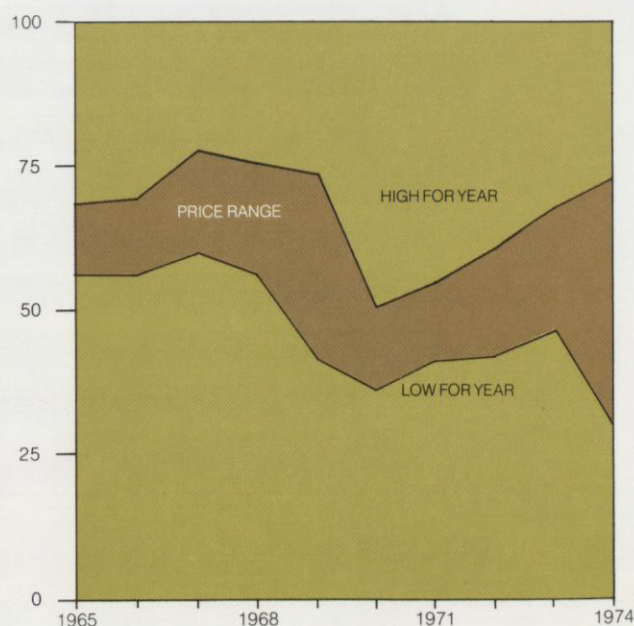
*Per weighted average share outstanding each year.

Common Stock Quarterly Market Prices (NYSE) and Dividends Paid Per Share

	1974		
	Price		Dividends
	High	Low	
1st Quarter	\$72 ⁷ / ₈	\$54	\$.60
2nd Quarter	58 ⁵ / ₈	43 ³ / ₄	.60
3rd Quarter	45 ¹ / ₄	30 ¹ / ₄	.60
4th Quarter	49 ⁷ / ₈	30 ¹ / ₂	.65

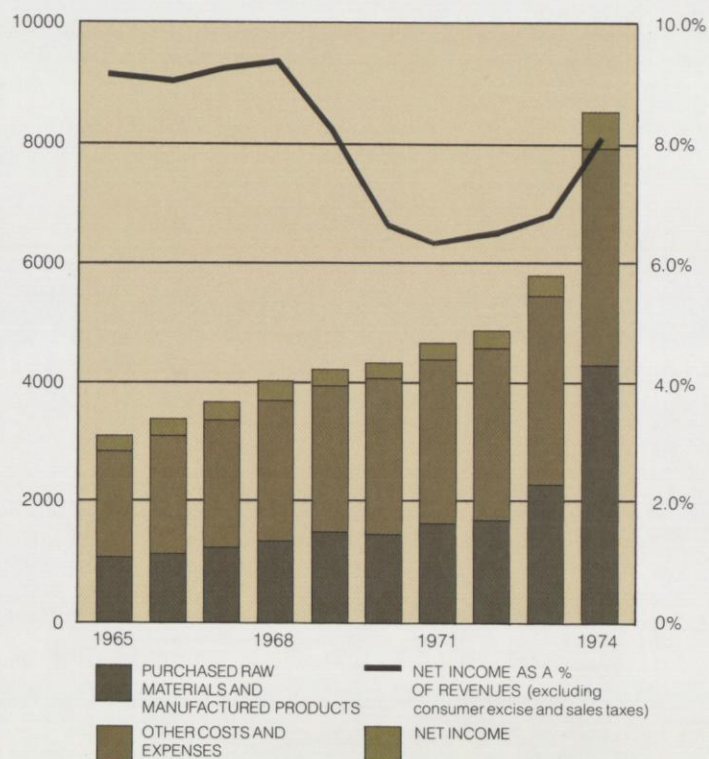
	1973		
	Price		Dividends
	High	Low	
1st Quarter	\$59 ⁷ / ₈	\$46	\$.60
2nd Quarter	53 ¹ / ₂	45 ⁷ / ₈	.60
3rd Quarter	56 ¹ / ₂	49 ⁵ / ₈	.60
4th Quarter	67 ⁷ / ₈	53 ¹ / ₂	.60

Shell Common Stock Market Price (Dollars Per Share)

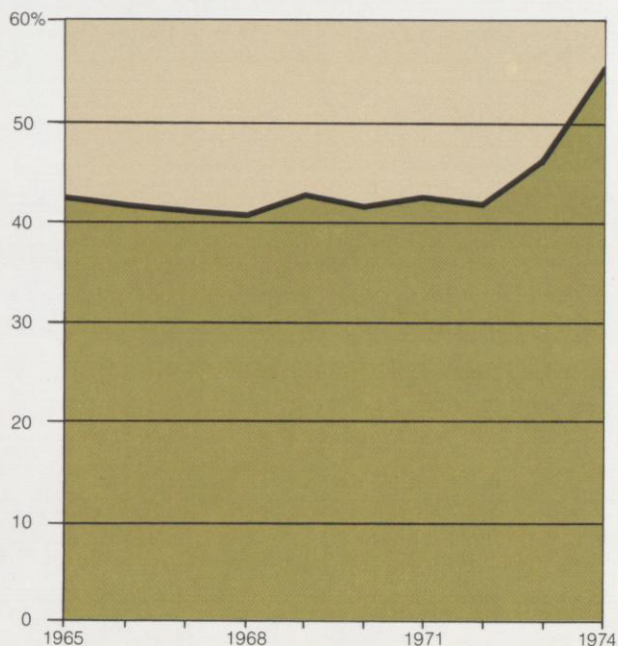


1973	1972	1971	1970	1969	1968	1967	1966	1965
2,819.4	2,307.9	2,199.0	2,079.1	2,067.0	1,968.5	1,848.4	1,732.1	1,578.0
722.9	623.9	539.8	509.1	534.2	512.8	437.0	400.8	355.3
999.5	826.6	829.2	730.6	664.4	617.8	588.4	513.7	497.3
194.4	191.9	201.4	172.4	163.2	128.1	135.9	121.3	104.5
147.6	125.6	122.9	98.3	108.3	89.9	62.0	46.8	24.9
4,883.8	4,075.9	3,892.3	3,589.5	3,537.1	3,317.1	3,071.7	2,814.7	2,560.0
48.5	32.4	32.6	31.4	46.4	35.4	16.5	16.3	13.0
817.3	741.5	698.9	709.8	692.6	655.2	584.6	559.9	529.7
5,749.6	4,849.8	4,623.8	4,330.7	4,276.1	4,007.7	3,672.8	3,390.9	3,102.7
2,264.9	1,693.3	1,642.4	1,482.9	1,498.8	1,338.0	1,256.7	1,169.8	1,080.0
1,574.9	1,479.4	1,389.8	1,289.3	1,220.2	1,168.2	1,077.7	975.9	870.8
1,074.6	960.4	888.6	911.8	879.4	837.1	745.5	715.9	672.8
441.7	396.8	410.5	369.4	351.8	317.9	277.3	251.0	229.2
60.8	59.4	48.0	40.1	34.7	34.4	30.8	23.1	15.9
5,416.9	4,589.3	4,379.3	4,093.5	3,984.9	3,695.6	3,388.0	3,135.7	2,868.7
332.7	260.5	244.5	237.2	291.2	312.1	284.8	255.2	234.0
6.7	6.3	6.2	6.6	8.1	9.3	9.2	9.0	9.1
6.2	5.0	5.3	5.1	6.7	7.4	7.8	7.8	8.1
8.5	6.8	7.4	8.7	11.4	12.2	12.1	14.6	18.3
6.5	5.4	6.1	6.9	9.4	10.1	10.2	12.0	15.7

**Revenue Distribution
(Millions of Dollars)**

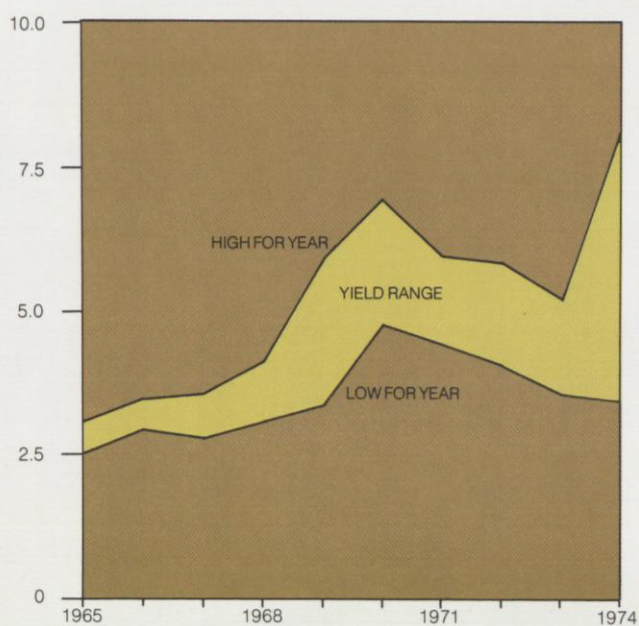


**Cost of Purchased Raw Materials and
Manufactured Products as a % of
Sales and Other Operating Revenue**

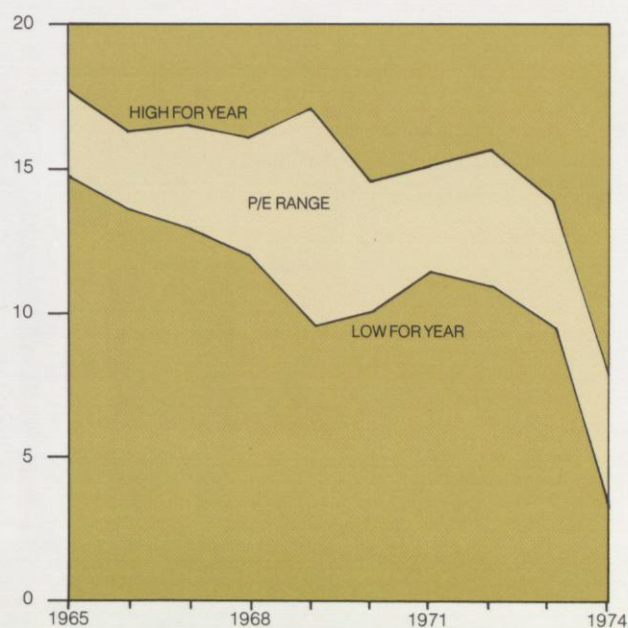


1973	1972	1971	1970	1969	1968	1967	1966	1965
807.3	808.2	807.9	807.7	807.8	807.5	497.6	484.7	477.1
2,116.8	2,018.1	1,935.3	1,859.8	1,730.4	1,569.7	1,413.2	1,273.7	1,142.9
332.7	260.5	244.5	237.2	291.2	312.1	284.8	255.2	234.0
161.7	161.8	161.7	161.7	161.8	151.4	128.3	115.7	103.2
171.0	98.7	82.8	75.5	129.4	160.7	156.5	139.5	130.8
3,095.1	2,925.0	2,826.0	2,743.0	2,667.6	2,537.9	2,067.3	1,897.9	1,750.8
4.94	3.86	3.63	3.52	4.32	4.72	4.66	4.19	3.85
2.40	2.40	2.40	2.40	2.40	2.30	2.10	1.90	1.70
80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
67,558	67,554	67,548	67,540	67,535	67,480	61,198	61,032	60,866
193	155	155	155	151	94	29	74	113
67,365	67,399	67,393	67,385	67,384	67,386	61,169	60,958	60,753
32,025	32,935	33,238	31,690	29,070	28,591	25,963	24,566	23,917
67 ⁷ / ₈	54 ⁷ / ₈	47 ¹ / ₄	47 ³ / ₈	44 ¹ / ₄	70 ⁵ / ₈	66	60	64 ³ / ₈
67 ⁷ / ₈	60	54 ¹ / ₂	50 ³ / ₄	73 ¹ / ₂	75 ¹ / ₂	77	68	67 ³ / ₄
45 ⁷ / ₈	42	41 ¹ / ₂	35 ¹ / ₈	41 ⁵ / ₈	56 ¹ / ₂	59 ³ / ₄	56 ¹ / ₄	56 ³ / ₄
13.7	15.5	15.0	14.4	17.0	16.0	16.5	16.2	17.6
9.3	10.9	11.4	10.0	9.6	12.0	12.8	13.4	14.7
4.2	4.7	5.0	5.6	4.2	3.5	3.1	3.1	2.7
48.6	62.1	66.1	68.2	55.6	48.5	45.0	45.3	44.1

Shell Common Stock Dividend
Yield Ratio (%)



Shell Common Stock
Price/Earnings Ratio



Capital and Exploratory Expenditures, and Investment in Properties, Plant and Equipment

(Dollars in millions)

1974

Capital Expenditures

Exploration and production (including dry holes)*	\$ 628.1
Oil and chemical manufacturing facilities	149.0
Marketing facilities	32.5
Pipelines and other transportation facilities	47.1
Miscellaneous facilities	72.5
TOTAL	929.2

Exploratory Expenditures*

TOTAL CAPITAL AND EXPLORATORY EXPENDITURES	\$1,065.3
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Gross Properties, Plant and Equipment

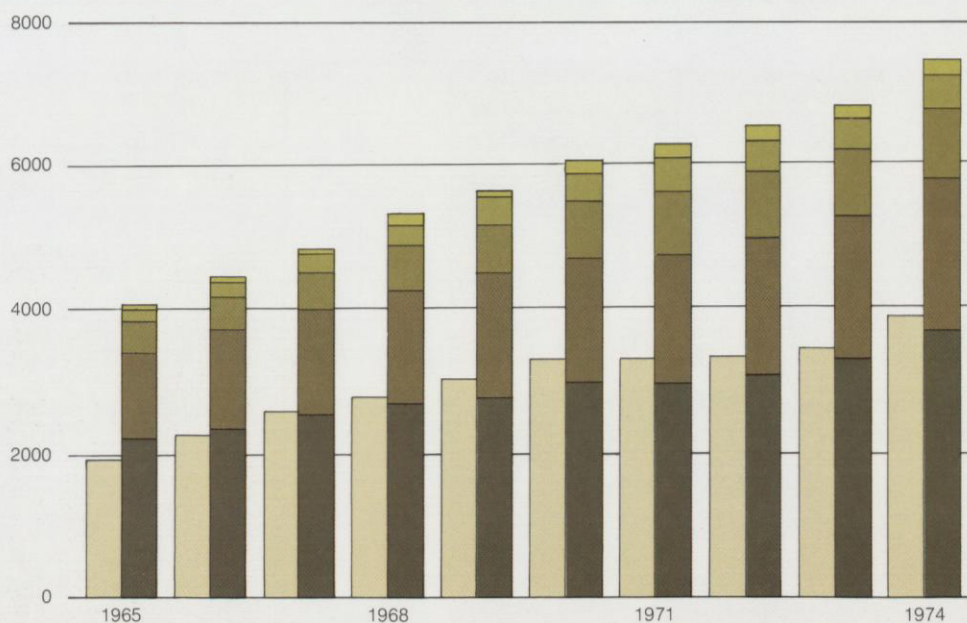
Exploration and production	\$3,712.4
Oil and chemical manufacturing facilities	2,118.7
Marketing facilities	966.2
Pipelines and other transportation facilities	460.3
Miscellaneous facilities	204.9
TOTAL	\$7,462.5

Net Properties, Plant and Equipment

Exploration and production	\$1,704.9
Oil and chemical manufacturing facilities	1,127.0
Marketing facilities	679.4
Pipelines and other transportation facilities	235.2
Miscellaneous facilities	158.8
TOTAL	\$3,905.3

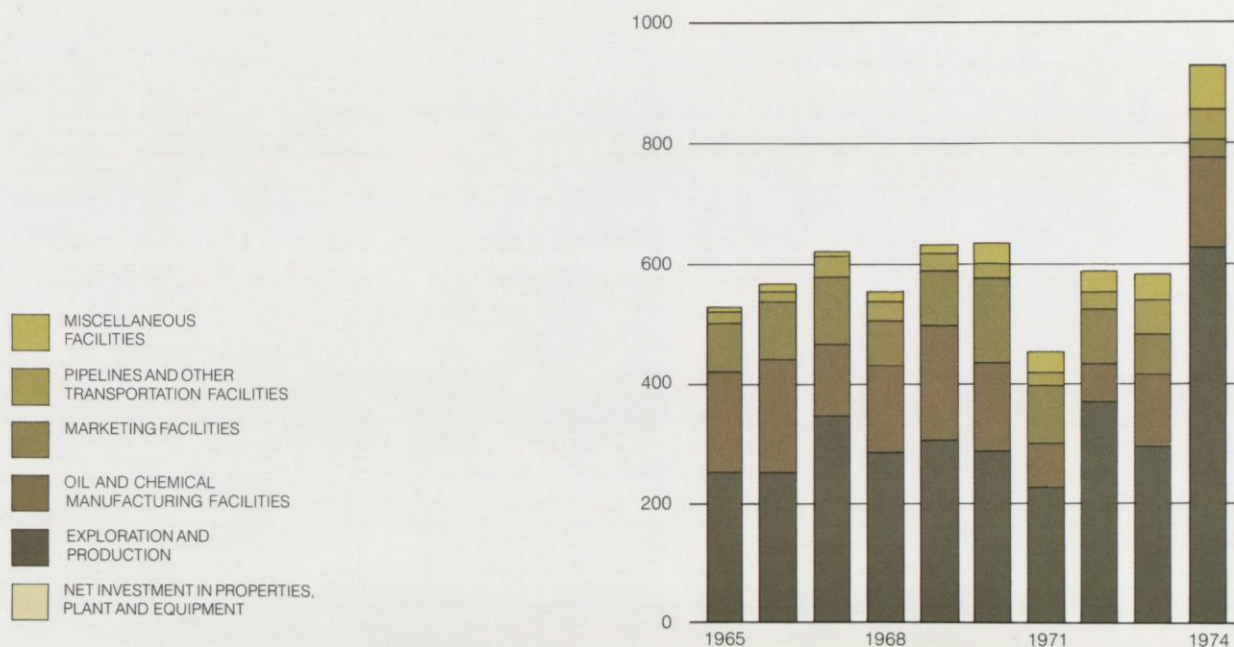
*See pages 18 and 19.

**Gross and Net Investment in
Property, Plant and Equipment
(Millions of Dollars)**



1973	1972	1971	1970	1969	1968	1967	1966	1965
297.1	367.8	228.6	289.9	307.6	281.4	343.6	252.7	253.8
114.4	71.8	77.5	145.6	186.4	148.8	120.7	189.2	165.7
68.9	92.6	99.7	143.3	93.3	76.5	111.3	96.6	81.2
56.6	26.1	17.7	24.2	28.2	34.4	35.2	14.8	22.9
43.6	32.6	27.0	31.8	13.3	13.0	8.1	10.7	7.1
580.6	590.9	450.5	634.8	628.8	554.1	618.9	564.0	530.7
110.7	98.7	92.7	82.7	90.9	88.4	84.7	77.0	74.3
691.3	689.6	543.2	717.5	719.7	642.5	703.6	641.0	605.0
3,287.5	3,159.2	2,977.1	2,923.7	2,789.6	2,660.3	2,507.0	2,339.5	2,226.3
1,990.3	1,921.0	1,929.1	1,875.6	1,747.7	1,577.5	1,446.1	1,343.0	1,166.3
981.4	947.0	879.5	809.7	693.0	626.8	573.2	486.6	403.2
435.6	390.2	373.2	362.5	349.5	316.3	272.7	240.4	228.9
141.3	140.3	116.3	104.9	96.1	91.3	81.9	76.5	68.0
6,836.1	6,557.7	6,275.2	6,076.4	5,675.9	5,272.2	4,880.9	4,486.0	4,092.7
1,435.5	1,452.6	1,351.6	1,413.4	1,394.9	1,361.7	1,314.2	1,184.7	1,122.3
1,053.6	1,013.7	1,027.9	1,018.2	926.9	785.8	690.6	616.5	466.8
706.2	688.5	639.4	584.3	477.1	423.8	384.1	306.8	236.1
225.5	192.5	181.9	180.9	178.4	156.1	123.7	98.8	93.8
106.1	91.6	71.4	59.9	54.7	50.4	44.0	42.1	36.7
3,526.9	3,438.9	3,272.2	3,256.7	3,032.0	2,777.8	2,556.6	2,248.9	1,955.7

**Capital Expenditures by Function
(Millions of Dollars)**



Exploration and Production

(Dollars in millions)

1974

Exploration and Production Capital and Exploratory Expenditures

Oil and gas leases	\$ 315.7
Producing wells and equipment	205.6
Natural gas processing plants	14.1
Dry holes	92.7
TOTAL CAPITAL EXPENDITURES	628.1
Geological, geophysical and land expenses	124.8
Lease rentals	11.3
TOTAL EXPLORATORY EXPENDITURES	136.1
TOTAL CAPITAL AND EXPLORATORY EXPENDITURES	\$ 764.2

Exploration and Production Capital and Exploratory Expenditures by Area

Domestic	\$ 667.5
Foreign	96.7
TOTAL	\$ 764.2

Exploration And Drilling

Net acreage (in thousands)	
United States	
Producing	893
Non-producing	8,664
TOTAL	9,557
Foreign	
Non-producing	62,471
Net wells drilled	
Exploratory —Oil and gas	80
Dry holes	90
Development—Oil and gas	302
Dry holes	46
TOTAL	518
Net oil and gas wells producing or capable of producing	
Entire working interest	9,461
Partial interest (net)	4,002
TOTAL	13,463

Estimated Proved Reserves

Liquid hydrocarbons (billions of barrels)	
Gross	2.2
Net	1.9
Natural gas (trillion cubic feet)	
Gross	8.6
Net	7.4
Percent proved reserves recoverable through existing wells	
Liquid hydrocarbons	77
Natural gas	80

1973	1972	1971	1970	1969	1968	1967	1966	1965
46.9	153.1	17.8	64.7	42.7	51.8	117.1	15.4	41.6
147.2	157.2	133.1	149.2	181.6	176.3	174.9	172.9	152.2
30.4	6.5	23.0	17.5	20.2	8.4	7.4	11.6	11.3
72.6	51.0	54.7	58.5	63.1	44.9	44.2	52.8	48.7
297.1	367.8	228.6	289.9	307.6	281.4	343.6	252.7	253.8
96.3	85.7	83.5	72.5	81.1	78.5	74.7	65.6	63.9
14.4	13.0	9.2	10.2	9.8	9.9	10.0	11.4	10.4
110.7	98.7	92.7	82.7	90.9	88.4	84.7	77.0	74.3
407.8	466.5	321.3	372.6	398.5	369.8	428.3	329.7	328.1
335.3	416.1	280.9	348.3	398.5	369.8	428.3	329.7	328.1
72.5	50.4	40.4	24.3	—	—	—	—	—
407.8	466.5	321.3	372.6	398.5	369.8	428.3	329.7	328.1
867	865	868	857	862	854	855	897	860
11,453	14,516	14,276	11,512	14,153	14,182	10,918	9,983	11,405
12,320	15,381	15,144	12,369	15,015	15,036	11,773	10,880	12,265
60,813	39,967	36,513	36,311	—	—	—	—	—
51	30	11	32	15	17	27	39	35
105	53	63	90	226	122	109	122	104
250	394	330	359	353	569	541	534	413
34	36	45	73	104	80	54	77	126
440	513	449	554	698	788	731	772	678
9,298	9,533	9,943	10,148	10,389	10,428	10,477	10,655	11,036
3,889	4,016	4,284	3,913	4,066	3,993	3,990	3,939	3,634
13,187	13,549	14,227	14,061	14,455	14,421	14,467	14,594	14,670
2.3	2.4	2.5	2.6	2.7	2.8	2.8	2.9	2.9
2.0	2.1	2.2	2.3	2.3	2.4	2.4	2.5	2.5
8.7	9.1	9.5	10.0	10.9	11.9	12.4	12.8	12.9
7.4	7.6	8.0	8.4	9.2	10.1	10.5	10.8	10.9
79	79	81	82	83	77	78	76	74
83	83	85	87	87	84	84	83	78

Exploration and Production

(Barrels in thousands)

1974

PRODUCTION

Crude Oil and Natural Gas Liquids Produced (barrels daily)

Gross	678
Net	
Offshore (Gulf of Mexico)	190
California	75
Louisiana	87
Montana	14
Texas	148
Utah	19
Other	53
TOTAL	586

Natural Gas Liquids Produced

(included in above barrels daily)	84
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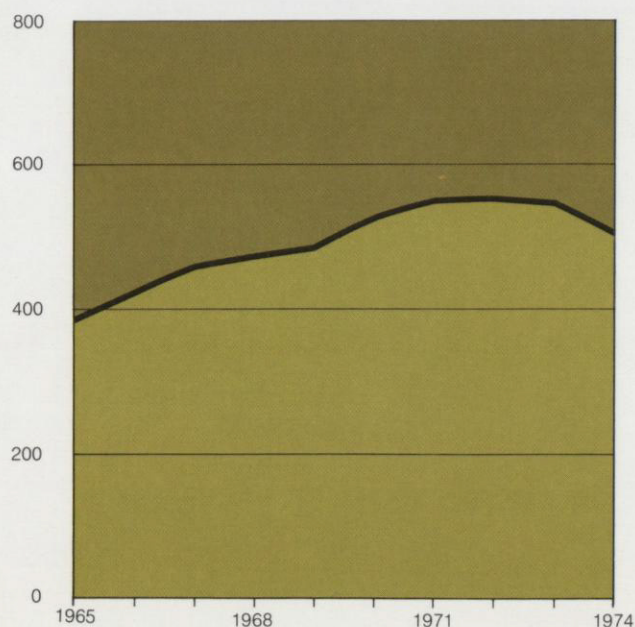
Natural Gas Produced (million cubic feet daily)

Gross	2,406
Net	
Offshore (Gulf of Mexico)	679
California	47
Louisiana	314
Michigan	50
New Mexico	75
Oklahoma	110
Texas	668
Other	107
TOTAL	2,050

Weighted average prices of own production

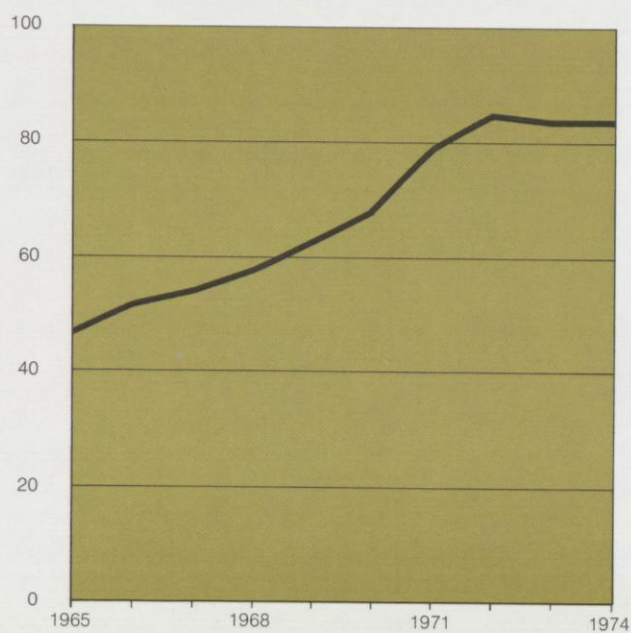
Crude oil—\$/Bbl.	\$6.60
Plant liquids—\$/Bbl.	\$5.32
Natural gas sales—¢/Mcf	31.0¢

**Net Crude Oil Produced
(Thousands of Barrels Daily)**

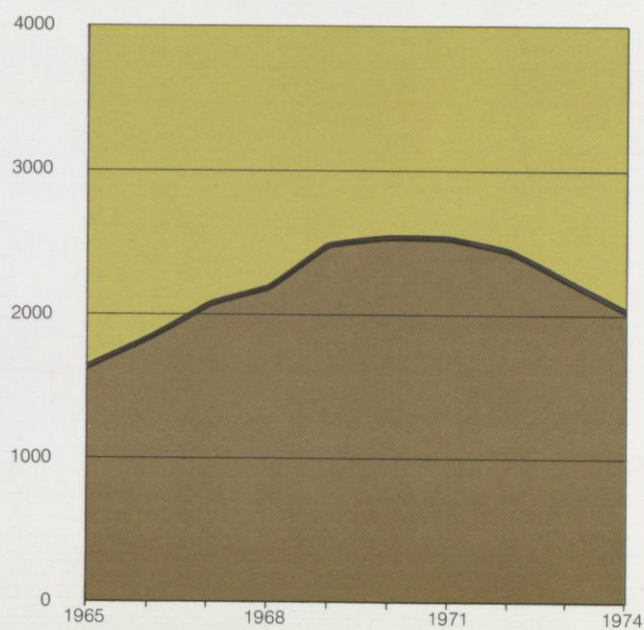


1973	1972	1971	1970	1969	1968	1967	1966	1965
732	739	731	688	626	607	589	543	493
225	233	238	212	167	166	159	134	112
80	78	74	77	82	80	72	69	65
100	113	115	96	97	87	84	76	75
16	16	17	18	18	20	22	22	21
153	147	132	135	126	120	118	111	101
10	5	4	2	2	2	2	3	3
47	46	49	55	56	57	57	59	54
631	638	629	595	548	532	514	474	431
84	85	79	68	63	58	54	52	47
2,679	2,918	3,020	3,027	2,975	2,636	2,453	2,180	1,926
801	889	920	880	864	765	611	376	257
52	52	62	67	80	84	99	111	117
398	463	472	483	482	442	419	414	395
13	4	3	—	—	—	—	—	—
75	75	75	72	71	78	83	96	87
124	141	145	147	156	147	189	183	185
714	765	791	818	765	616	588	592	531
91	71	74	81	72	69	57	62	54
2,268	2,460	2,542	2,548	2,490	2,201	2,046	1,834	1,626
3.94	3.36	3.37	3.16	3.09	2.95	2.93	2.92	2.91
2.89	2.21	2.29	2.14	1.99	2.12	2.35	2.27	2.13
22.5	20.2	20.3	17.3	16.8	15.1	17.6	17.5	17.2

**Natural Gas Liquids Produced
(Thousands of Barrels Daily)**



**Net Natural Gas Produced
(Million Cubic Feet Daily)**



Offshore Exploration Gulf of Mexico

Shell Interest Tracts Acquired 1970-1974

SUMMARY LEASE SALES DEC. 1970 THROUGH OCT. 1974

NO. TRACTS	SALE DATE	ACRES	GROSS BONUS (\$MM)
9	December 1970	42,500	47.64
15	Sept. & Dec. 1972	72,591	235.97
2	June 1973	10,105	23.41
10	December 1973	53,290	29.40
6	March 1974	27,123	312.83
1	May 1974	5,760	4.69
10	October 1974	47,633	120.10
	TOTAL	259,002	774.04

DETAILS OF LEASE SALES

TRACT DESCRIPTION	ACRES	GROSS BONUS (\$MM)	(%) SHELL WORKING INTEREST
-------------------	-------	--------------------	----------------------------

December 1970 (9)

Eugene Island 331	5000	12.19	100
Vermilion 339	5000	7.18	100
Vermilion 340	5000	7.18	100
S. Marsh Island 115	5000	5.19	100
Vermilion 247	5000	3.90	100
West Cameron 565	5000	3.84	100
East Cameron 185*	5000	3.39	100
West Cameron 244*	5000	2.39	100
Vermilion 321	2500	2.38	100

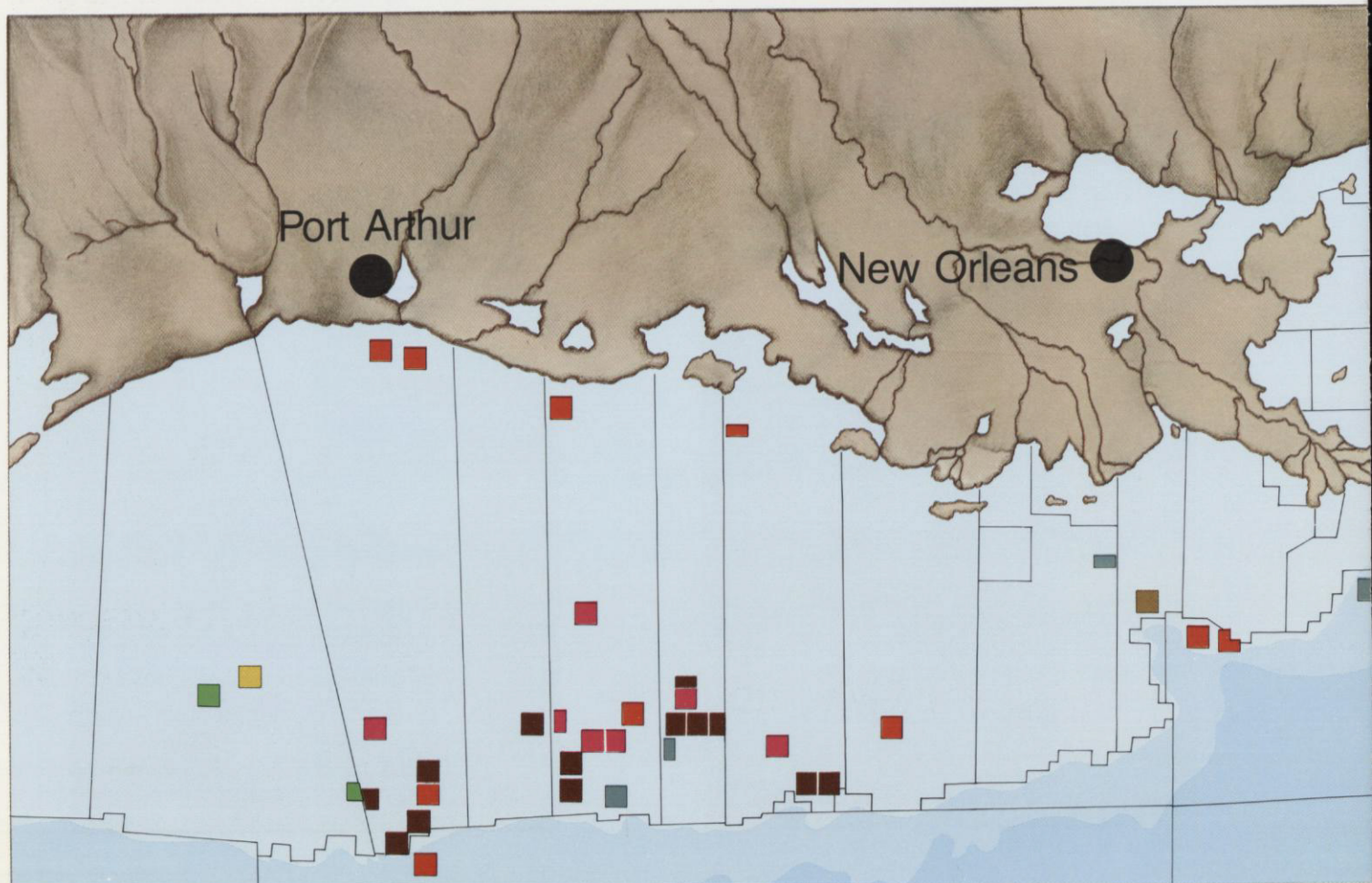
September 1972 (1)

Grand Isle 76	5000	6.23	67
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December 1972 (14)

S. Marsh Island 130	5000	43.34	75
W. Cameron 650	5000	33.34	75
S. Marsh Island 131	5000	33.34	75
W. Cameron 633	5530	32.23	56
Vermilion 348	5000	16.34	75
W. Cameron 661	5000	14.34	75
S. Marsh Island 132	5000	12.34	75
Eugene Island 370	5000	12.34	75
S. Marsh Island 106	2500	8.33	100
Vermilion 370	5000	7.83	75
W. Cameron 619	5000	6.13	75
Eugene Island 371	5000	5.33	75
E. Cameron 305	5000	3.68	75
Main Pass 286*	4561	.83	75

*Tracts surrendered



TRACT DESCRIPTION	ACRES	GROSS BONUS (\$MM)	(%) SHELL WORKING INTEREST
-------------------	-------	--------------------------	----------------------------------

June 1973 (2)

High Island 350	4345	21.58	56
High Island 446	5760	1.83	75

December 1973 (10)

Tampa 641-49	5760	9.39	42
Tampa 641-50	5760	7.13	75
Tampa 639-55	5760	4.48	25
Tarpon Springs 643-49	5760	2.89	75
Pensacola S. 686-120	5760	1.84	25
Mobile So. 679-88	5760	1.13	75
Tampa 640-53	5760	1.10	42
Tarpon Springs 642-48	5760	.89	75
Pensacola So. 679-89	5760	.34	75
Mobile So. 673-88	1450	.21	100

March 1974 (6)

Mobile So. 660-62	5760	112.78	42
So. Timbalier 26	2500	65.83	100
Mobile So. 661-63	5603	63.78	42
Mobile So. 660-63	5760	37.78	42
So. Marsh Island 149	2500	26.83	75
Vermilion 395	5000	5.83	75

MAP LEGEND

 December 1970	 September 1972	 December 1972	 June 1973	 December 1973
 March 1974	 May 1974	 October 1974	Tracts not to scale	

TRACT DESCRIPTION	ACRES	GROSS BONUS (\$MM)	(%) SHELL WORKING INTEREST
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May 1974 (1)

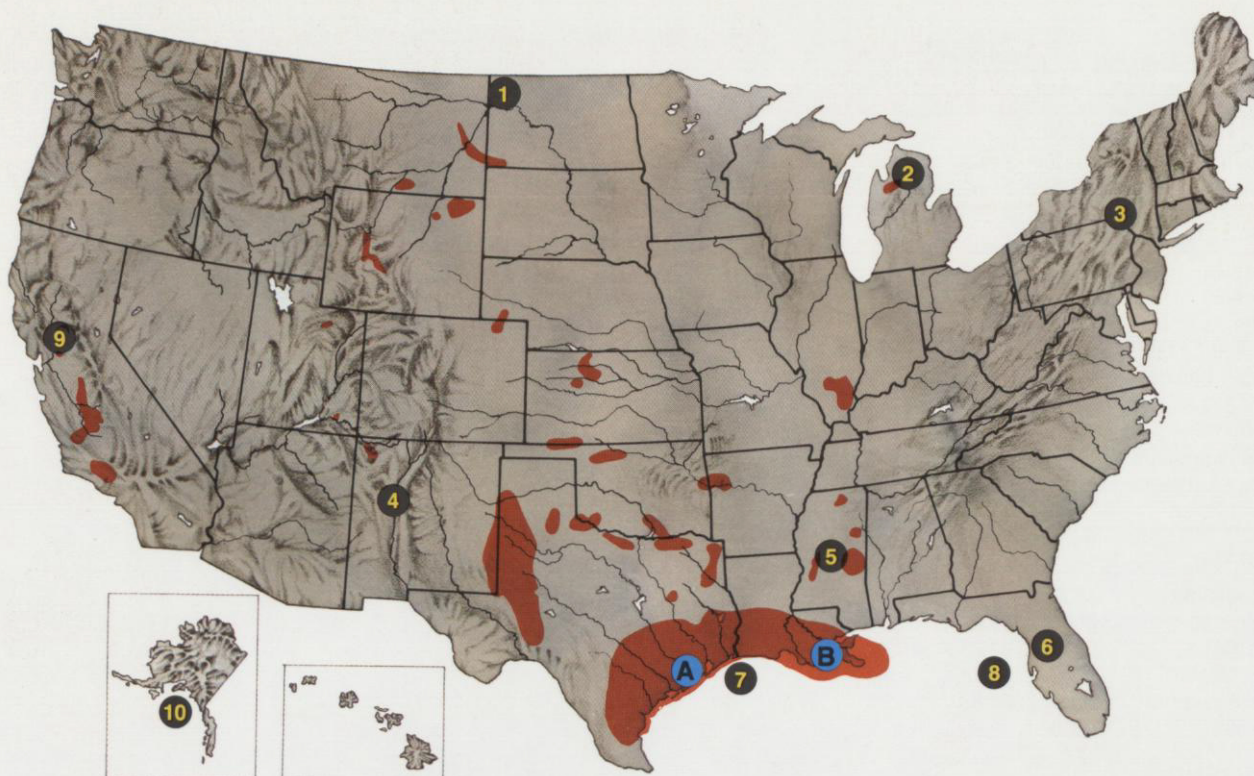
High Island 269 A	5760	4.69	100
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October 1974 (10)

Vermilion 22	5000	42.84	75
West Cameron 65	5000	37.28	75
West Cameron 39	5000	14.28	75
Mobile South 657-47	5760	11.69	100
Vermilion 308	5000	5.88	75
West Cameron 628	5000	2.58	75
Ship Shoal 276	5000	2.48	75
Garden Banks			
637-100	5760	1.68	100
Eugene Island 10	2302	0.96	75
Mobile South 656-49	3811	0.43	100



Exploration and Production Areas



Domestic Exploration Areas

1. Williston Basin
2. Northern Michigan Basin
3. Northern Appalachian Region—Pennsylvania and New York
4. Albuquerque Basin—New Mexico
5. Central Mississippi
6. Central Florida
7. Offshore Louisiana and Texas
8. Eastern Gulf of Mexico
9. Sacramento Basin
10. Gulf of Alaska

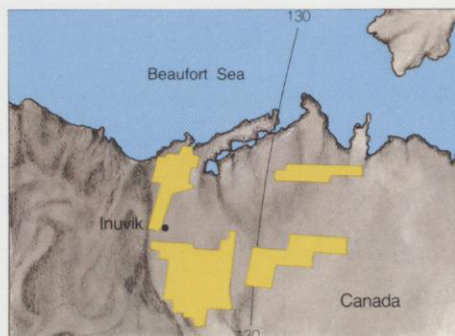
Producing Areas

Region Offices

- A Houston
- B New Orleans

International Exploration Areas

1. Canada—Northwest Territories
2. Peru
3. Senegal/Gambia
4. Cameroon
5. Gabon
6. Somalia
7. Vietnam
8. Sabah
9. West Irian
10. New Zealand



CANADA—NORTHWEST TERRITORIES

4,000,000 acres □ *Shell Explorer Limited—50% □ Wildcat and delineation drilling continued in Mackenzie Delta (1,000,000 acres)—one discovery and one field extended in 1974.



PERU

2,515,000 acres □ *Compañía Petrolera Pecten del Peru—50% □ Completed seismic surveys and drilling got underway—first two wells found encouraging oil shows.



SOMALIA

17,920,000 acres □ *Pecten Somalia Company—33 1/3% □ Acquired interest in first quarter 1974 and joined in geophysical and geologic surveys to prepare for 1976 drilling.



VIETNAM

6,862,000 acres □ *Pecten Vietnam Companies—50% □ Wildcat drilling program launched with considerable initial encouragement—good hydrocarbon indications in one of two wildcat wells drilled.



SENEGAL/GAMBIA

18,328,000 acres □ *Pecten Senegal Company—35%

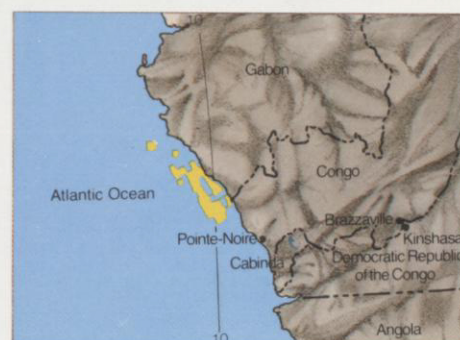
919,000 acres □ *Pecten Gambia Company—35%

Seismic surveys continued—drilling will commence in 1975



CAMEROON

545,000 acres □ *Pecten Cameroon Company—20% □ Three wildcats resulted in two oil and one gas discoveries and two appraisal wells successful in play entered into in 1974.



GABON

2,464,000 acres □ *Pecten Gabon Company—15 to 25% □ (551,000 acres net) □ Wildcat drilling program continued throughout year with some encouraging results.



SABAH

2,880,000 acres □ *Pecten Malaysia Company—50% □ Production from Samarang field will commence in 1975. A 1974 wildcat well found third oil field on acreage.



WEST IRIAN

40,014,000 acres □ *Pecten Indonesia Company—25% □ Exploration program continues—our first joint wildcat a dry hole.



NEW ZEALAND

6,848,000 acres □ *Taranaki Offshore Petroleum Company—12.5% □ Seismic program completed—contracts let for platform design for Maui gas field.

*Per cent operating interest of wholly owned Shell Oil subsidiary.

Manufacturing, Transportation and Marketing /Chemical Facilities

Manufacturing

Complexes

Deer Park—Deer Park, Texas
Martinez—Martinez, Calif.
Wilmington—Wilmington, Calif.

Refineries

Anacortes—Anacortes, Wash.
Ciniza—Gallup, N.M.
Norco—Norco, La.
Odessa—Odessa, Texas
Wood River—Wood River, Ill.

Chemical Plants

Denver—Denver, Colo.
Geismar—Geismar, La.
Marietta—Marietta, Ohio
Mobile—Axis, Ala.
Norco—Norco, La.
Princeton—Princeton, N.J.
Woodbury—Woodbury, N.J.

Sales Offices

Commercial and Retail District Offices

Anaheim, Calif.
Atlanta, Ga.
Babylon, N.Y.
Baltimore, Md.
Birmingham, Ala.
Boston—Wellesley, Mass.
Charlotte, N.C.
Chicago—Des Plaines, Ill.
Cleveland—
Middleburgh Heights, Ohio
Dallas, Tex.
Davenport—Bettendorf, Iowa
Dayton—Miamisburg, Ohio
Detroit—Southfield, Mich.
Grand Rapids, Mich.
Hartford—E. Hartford, Conn.
Honolulu, Hawaii
Houston, Texas
Indianapolis, Ind.
Long Beach, Calif.
Louisville, Ky.
Los Angeles—Burbank, Calif.
Milwaukee—Brookfield, Wis.
Miami—Hollywood, Fla.
Nashville, Tenn.
Newark—Clifton, N.J.

New England—Stamford, Conn.
New Orleans, La.
New York—New Hyde Park, N.Y. /
Stamford, Conn.
Northwest—Bellevue, Wash.
Oakland, Calif.
Philadelphia—Valley Forge, Pa.
Phoenix, Ariz.
Portland, Ore.
Providence—Cranston, R.I.
Richmond, Va.
Sacramento, Calif.
San Bernadino, Calif.
San Diego, Calif.
San Francisco—San Mateo, Calif.
San Jose, Calif.
Santa Monica—Culver City, Calif.
Seattle—Bellevue, Wash.
Southern California—
Downey, Calif.
St. Louis—St. Ann, Mo.
Syracuse, N.Y.
Tampa, Fla.
Washington, D.C.—College Park, Md.
White Plains, N.Y.

Chemical Sales Offices

Atlanta, Ga.	Omaha, Nb.
Charlotte, N.C.	Richardson, Texas
Cleveland, Ohio	San Francisco, Calif.
Downey, Calif.	Southfield, Mich.
East Orange, N.J.	Stamford, Conn.
Houston, Texas	St. Ann, Mo.
Kansas City, Mo.	Walnut Creek, Calif.
Memphis, Tenn.	Worthington, Ohio
Oak Brook, Ill.	

Transportation and Supplies

Operations Offices

East of Rockies—Houston, Texas
West of Rockies—Los Angeles, Calif.

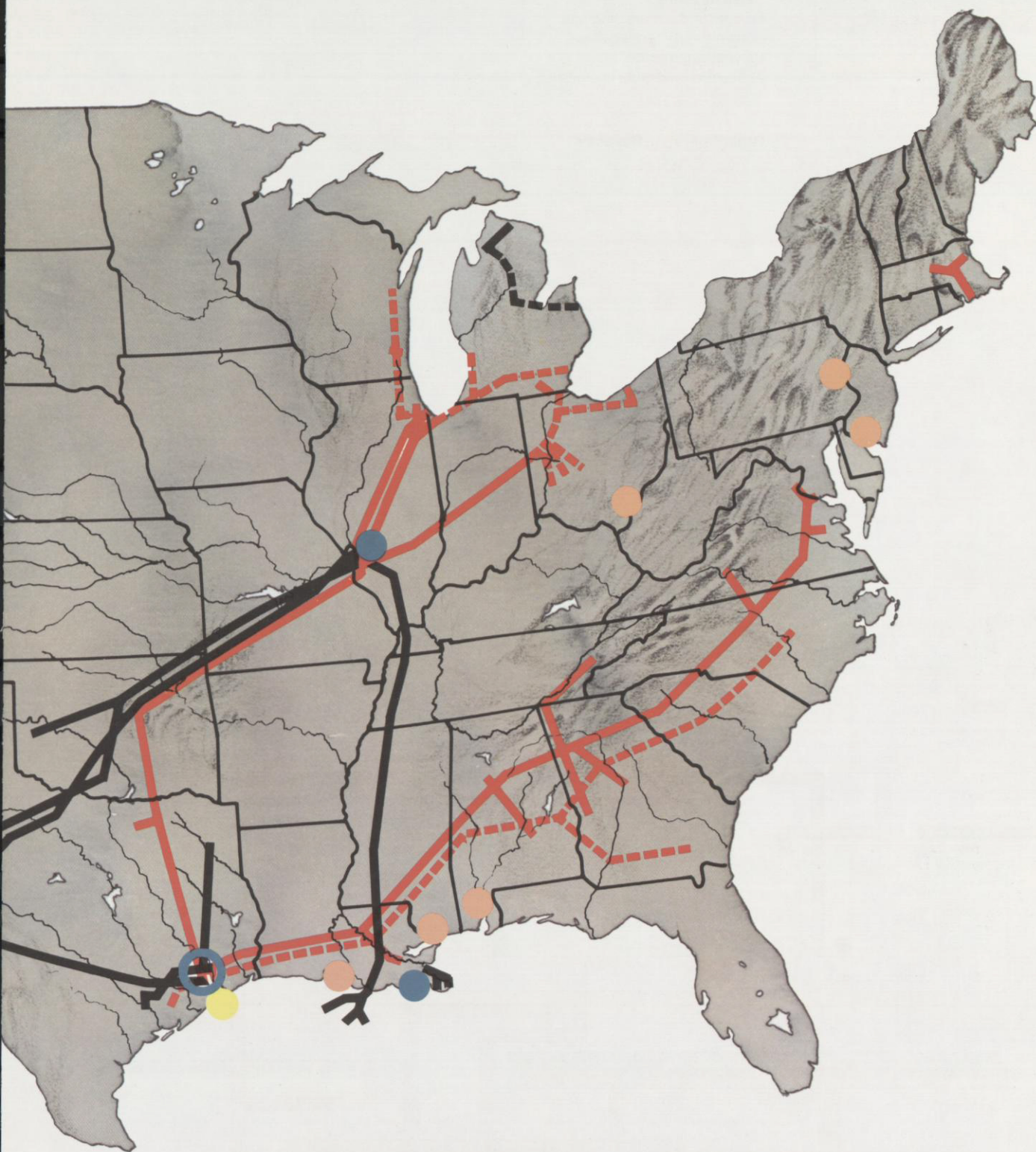
Pipelines—including partially owned

— CRUDE
— PRODUCT
- - - LIQUIFIED PETROLEUM GAS

Shell Chemical

Business Centers
San Ramon, Calif.
Houston, Texas





Chemicals

(Dollars in millions)

1974

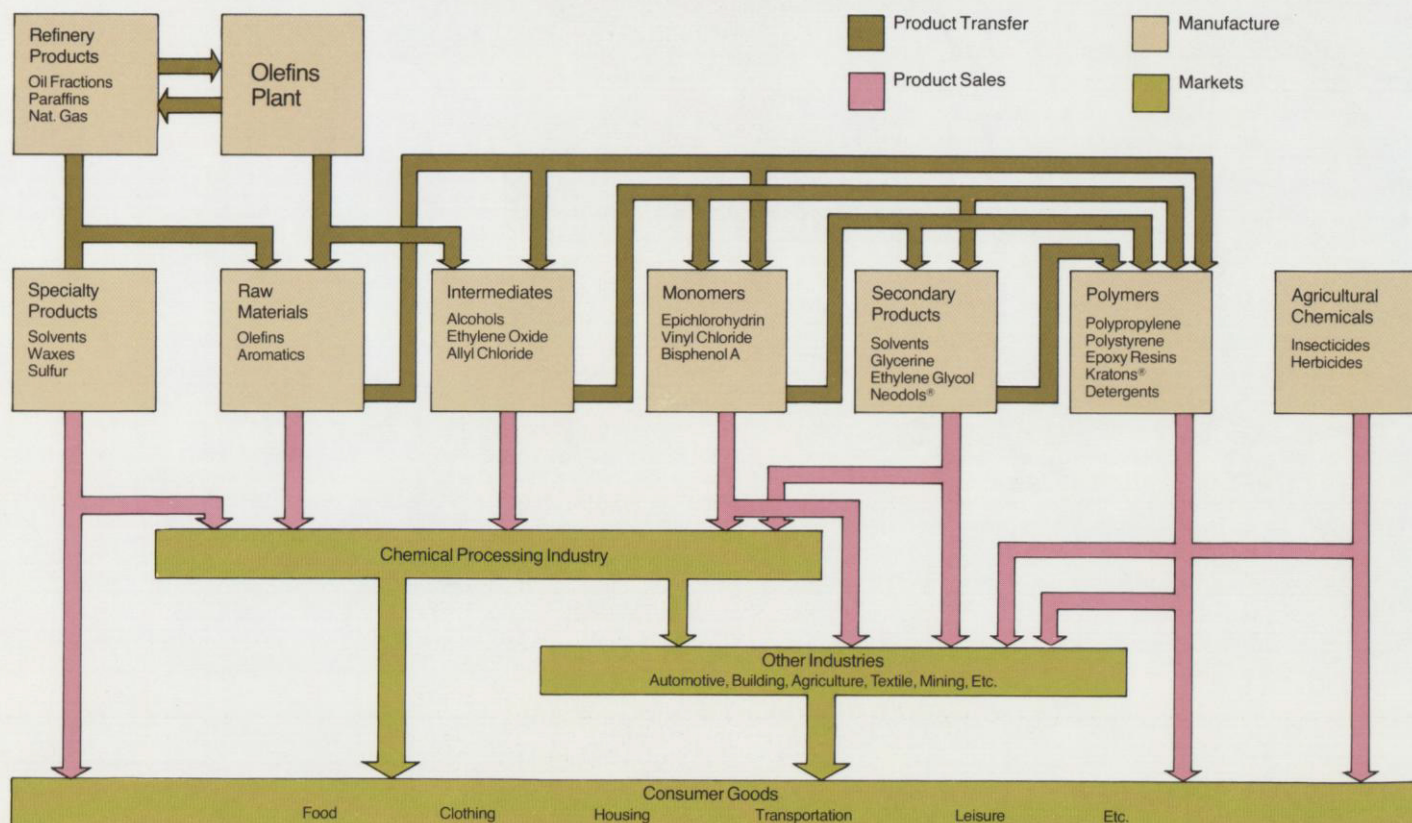
Sales Revenue

Refined and primary products	\$ 369.7
Solvents and intermediates	327.4
Polymers and resins	199.0
Agricultural and other chemicals	243.8
TOTAL	1,139.9

Other Operating Revenue

Other Operating Revenue	38.7
TOTAL	\$1,178.6

Shell's Chemical Product Flow Chart



Refined and Primary Products
Olefins and Aromatics
Hydrocarbon Solvents
Solvent Blends
Process Materials
Specialties

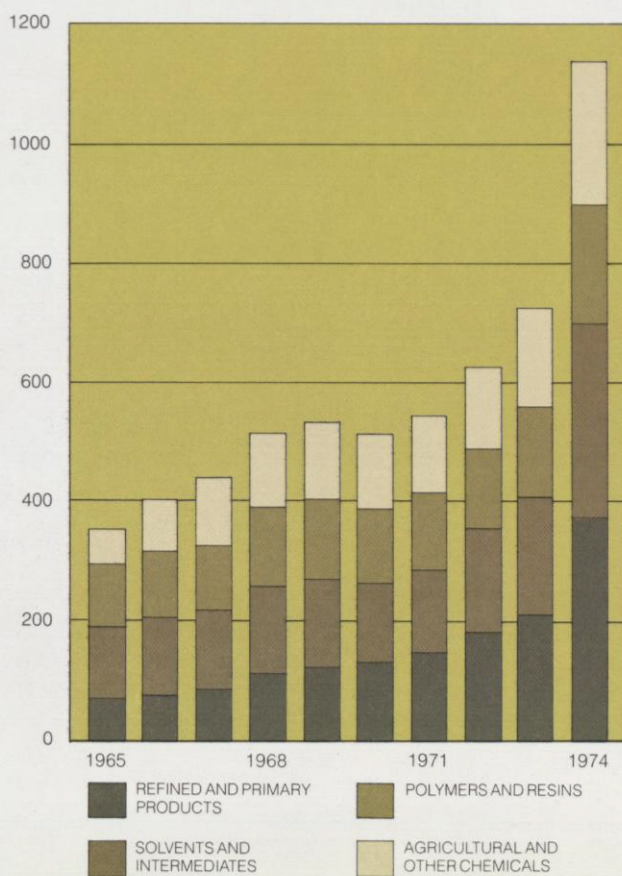
Intermediates, Monomers & Secondary Products
Oxygenated Solvents
Allylics
Vinyl Chloride Monomer
Detergent Alcohols
Ethylene Oxide Products

Polymers and Resins
Polypropylene
Polystyrene
Epoxy Resins
KRATONS®

Agricultural and Other Chemicals
Insecticides
Herbicides
Catalyst
Other

1973	1972	1971	1970	1969	1968	1967	1966	1965
211.7	180.4	147.4	132.7	121.5	116.0	86.2	75.2	71.7
194.8	175.4	138.7	131.7	146.2	143.4	130.3	130.1	118.7
154.4	129.9	126.8	122.5	134.7	125.9	106.9	112.6	101.7
162.0	138.2	126.9	122.2	131.8	127.5	113.6	82.9	63.2
722.9	623.9	539.8	509.1	534.2	512.8	437.0	400.8	355.3
24.6	21.3	15.9	13.5	9.5	9.4	6.5	5.0	3.4
747.5	645.2	555.7	522.6	543.7	522.2	443.5	405.8	358.7

**Chemical Sales Revenue
(Millions of Dollars)**



Refined Oil Product Sales and Supplies

(Barrels in thousands)

1974

Refined Products Sold (barrels daily)

Gasolines	544
Kerosene (including jet fuel), heating and diesel oils	326
Heavy fuel oils	83
All other products	107
TOTAL	1,060

Natural Gas Sold (million cubic feet daily)	2,101
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Refined Product Supply and Distribution (barrels daily)

Net crude oil produced	502
Net natural gas liquids produced	84
Crude oil purchased	1,125
Less Crude oil sold	631
Crude oil inventory change	(13)
Refined products purchased	130
TOTAL SUPPLY	1,197

Refined products sold	1,060
Used in chemical manufactures	76
Product inventory change	(2)
Own consumption, etc.	63
TOTAL DISTRIBUTION	1,197

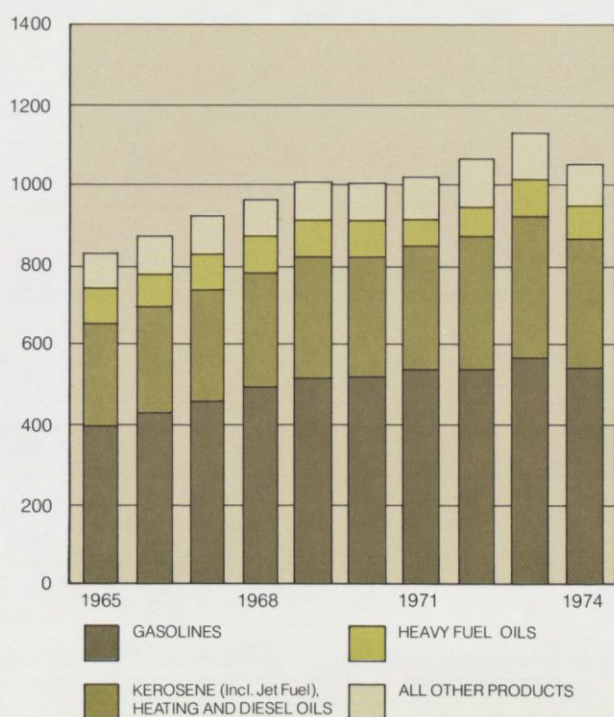
Bulk Distributing Plants (leased and owned)	198
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Number of Service Stations

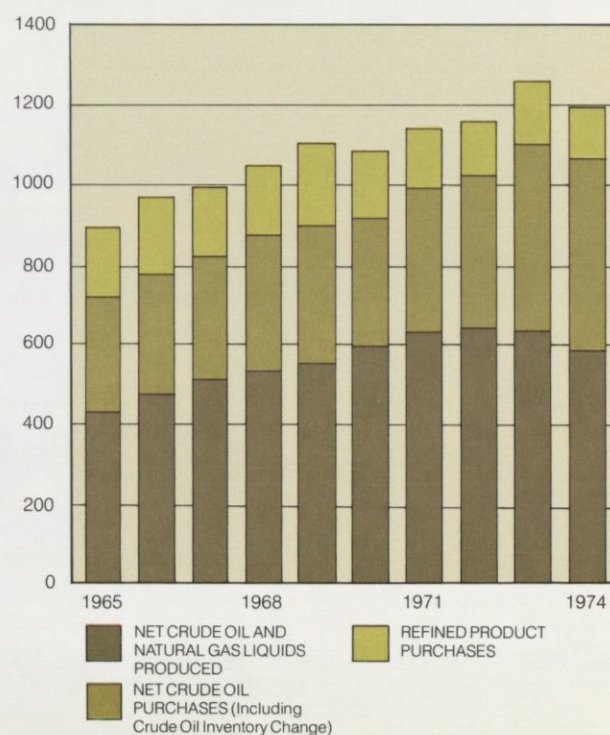
Owned	2,800
Leased	6,100
Jobber and other	10,900
TOTAL	19,800

1973	1972	1971	1970	1969	1968	1967	1966	1965
570	539	537	518	515	491	454	424	394
354	334	311	302	305	289	285	267	254
90	76	67	92	93	91	89	83	89
122	119	105	93	95	95	93	98	93
1,136	1,068	1,020	1,005	1,008	966	921	872	830
2,366	2,598	2,715	2,738	2,654	2,315	2,122	1,897	1,661
547	553	550	527	485	474	460	422	384
84	85	79	68	63	58	54	52	47
1,152	1,032	1,007	936	952	910	875	797	789
675	646	646	614	599	577	561	505	493
(5)	(2)	(1)	—	(6)	5	(7)	7	(4)
160	138	150	169	206	176	176	194	172
1,263	1,160	1,139	1,086	1,101	1,046	997	967	895
1,136	1,068	1,020	1,005	1,008	966	921	872	830
78	73	61	49	40	41	36	32	13
8	(23)	14	(9)	9	(4)	10	6	7
41	42	44	41	44	43	30	57	45
1,263	1,160	1,139	1,086	1,101	1,046	997	967	895
209	225	312	363	516	591	624	707	703
2,900	3,000	3,000	2,500	2,500	2,100	2,200	1,600	1,400
6,600	6,900	6,800	8,000	8,400	9,300	9,400	10,100	10,100
10,700	10,800	10,600	10,600	11,100	11,700	12,100	12,300	13,100
20,200	20,700	20,400	21,100	22,000	23,100	23,700	24,000	24,600

Refined Products Sold
(Thousands of Barrels Daily)



Refined Products Supply
(Thousands of Barrels Daily)



Sources of Raw Materials and Refining

(Barrels in thousands)

1974

Net Sources of Crude Oil (barrels daily)

Domestic	776
Canadian	88
Other foreign	209
Less FEA mandatory sales	77
TOTAL	996

Cost of Crude Oil Consumed (average per barrel) \$8.65

Refinery Processing Intakes (barrels daily)

Anacortes	78
Deer Park	281
Martinez	84
Norco	203
Odessa/Ciniza	48
Wilmington	89
Wood River	247
TOTAL	1,030

Manufacturing Outturn (barrels daily)

Gasolines	504
Kerosene (including jet fuel), heating and diesel oils	276
Heavy fuel oils	88
All other products	207
TOTAL	1,075

Operable Capacity of Crude Oil Distillation Units (barrels daily) 1,133

Refinery Intakes to Crude Oil Distillation Units (barrels daily) 1,011

Refinery Crude Oil Distillation Unit Intakes as a % of

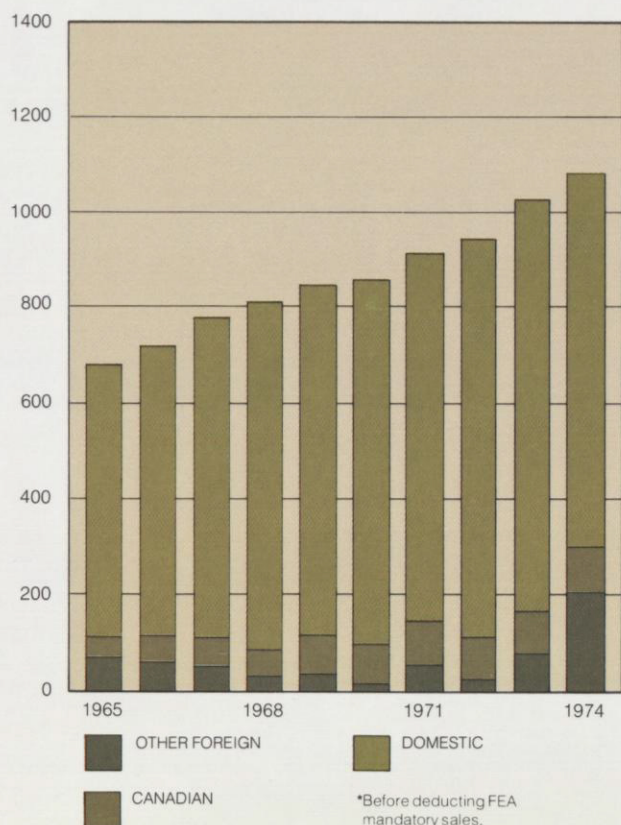
Operable Capacity 89.3

Own Net Produced Crude and Natural Gas Liquids as a % of

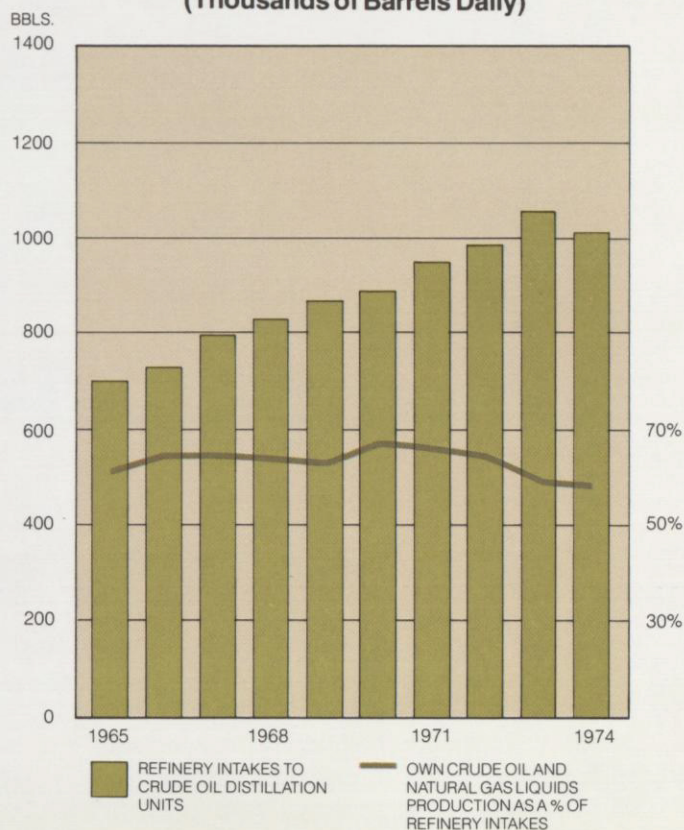
Intakes to Crude Oil Distillation Units 58.0

1973	1972	1971	1970	1969	1968	1967	1966	1965
859	830	769	754	724	727	667	597	564
90	84	90	80	80	48	58	57	46
75	25	52	15	34	32	49	60	70
—	—	—	—	—	—	—	—	—
1,024	939	911	849	838	807	774	714	680
4.20	3.42	3.42	3.15	3.13	3.00	3.02	3.02	3.01
86	84	90	86	89	90	83	79	74
273	231	214	164	162	157	152	145	144
83	75	84	94	91	79	71	39	37
226	234	208	208	201	192	178	156	141
51	48	46	44	46	42	39	40	37
100	84	87	84	96	98	95	92	92
266	245	237	232	216	201	202	202	194
1,085	1,001	966	912	901	859	820	753	719
527	496	497	458	458	432	402	360	343
298	282	253	246	243	240	229	222	213
87	70	70	91	90	87	74	64	70
226	213	184	143	120	115	119	112	108
1,138	1,061	1,004	938	911	874	824	758	734
1,083	1,060	1,060	1,059	943	876	811	786	727
1,059	986	951	887	870	832	795	733	700
97.8	93.0	89.7	83.8	92.3	95.0	98.0	93.2	96.3
59.6	64.7	66.1	67.1	63.0	63.9	64.7	64.7	61.6

Net Sources of Crude Oil*
(Thousands of Barrels Daily)



Refinery Intakes vs. Own Net Crude Oil and Natural Gas Liquids Production
(Thousands of Barrels Daily)



Research and Personnel Data

(Dollars in millions)

1974

Research Expense*

Exploration and production	\$23.9
Oil and chemical products and processes	39.1
Other	18.1
TOTAL	\$81.1

Personnel Data

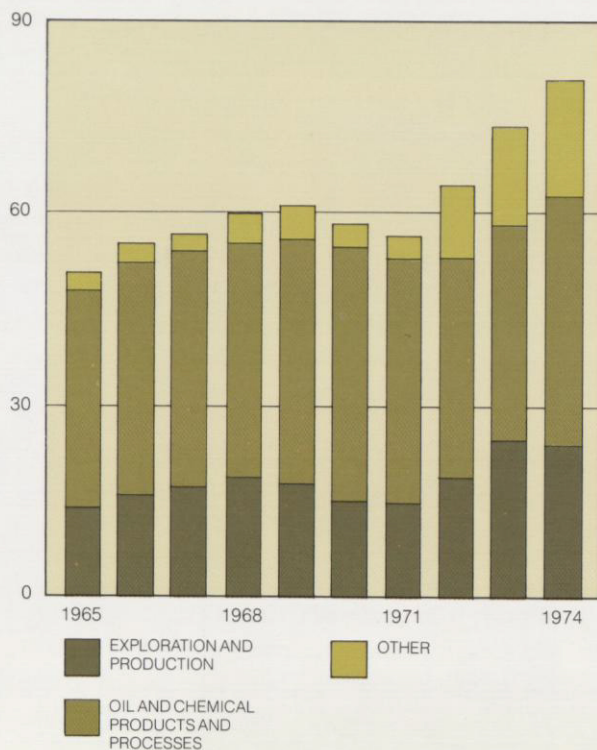
Salaries and wages	\$455.5
Employee benefits	195.2
TOTAL	\$650.7

Number of employees at year-end	32,287
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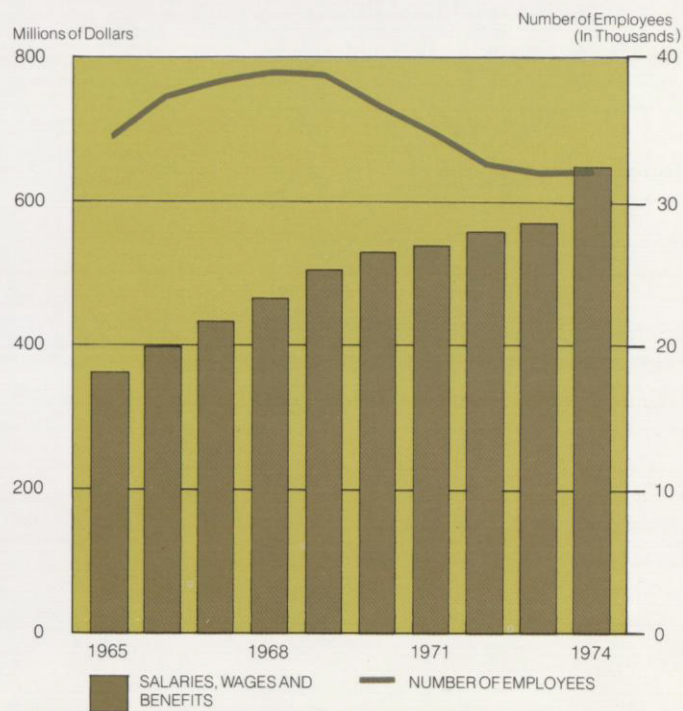
*Including depreciation.

1973	1972	1971	1970	1969	1968	1967	1966	1965
24.6	18.8	14.4	14.8	17.7	18.4	17.0	15.1	13.8
33.4	34.0	38.3	39.6	38.3	36.6	37.1	36.3	33.8
15.5	11.7	3.4	3.8	5.2	4.8	2.4	3.2	2.7
73.5	64.5	56.1	58.2	61.2	59.8	56.5	54.6	50.3
415.7	407.9	399.6	395.2	377.9	348.8	326.8	297.0	270.7
154.8	151.5	139.8	135.9	125.5	115.4	108.0	100.1	91.8
570.5	559.4	539.4	531.1	503.4	464.2	434.8	397.1	362.5
32,080	32,871	35,000	36,754	38,998	39,080	38,330	37,058	34,548

**Research Expenses
(Millions of Dollars)**



Salaries, Wages and Employee Benefits



Glossary of Terms

FINANCIAL TERMS

Shareholders' Equity

The amount invested in the business by the shareholders consisting of common stock outstanding and the amount in excess of common stock stated value, plus the earnings of the Company reinvested in the business after payment of dividends.

Total Capital

The total capitalization of the Company consisting of Shareholders' Equity plus the amount invested in the Company by creditors as represented by Long Term Debt.

Gross Investment

Gross fixed assets, working capital, investments and deferred charges.

Return on Shareholders' Equity

Net income for the year, as a percentage of Shareholders' Equity at the beginning of the year.

Return on Total Capital

Net income and interest on debt after related income taxes for the year, as a percentage of Total Capital at the beginning of the year.

Cash Income as a % of Gross Investment

Funds provided from operations plus interest on debt after related income taxes for the year, as a percentage of Gross Investment at the beginning of the year.

Fixed Charge Coverage (before income taxes)

The ratio of earnings before federal and other income taxes plus interest on debt to interest on debt.

Fixed Charge Coverage (after income taxes)

The ratio of earnings after federal and other income taxes plus interest on debt to interest on debt.

OPERATING TERMS

Operable Capacity of Crude Oil Distillation Units

The maximum number of barrels of intakes to crude oil distillation units that can be processed in an average calendar day after making allowances for downtime, types and grades of feedstocks processed and products manufactured, downstream processing unit capacity and environmental constraints.

Intakes to Crude Oil Distillation Units

Includes crude oil, lease condensate, natural gas plant liquids, unfinished oils and all other hydrocarbons processed through crude oil distillation units.

Refinery Processing Intakes

Includes all crude oil, lease condensate, natural gas plant liquids, natural gas feedstocks, unfinished oils and all other hydrocarbons initially processed through any refinery processing unit.

Domestic Sources of Crude Oil

Shell's own production of crude oil and lease condensate plus domestic purchases less sales.

Foreign Sources of Crude Oil

Crude oil and condensate purchased from foreign sources.

Cost of Crude Oil Consumed

Cost of domestic (including market price of Shell's own production) and foreign sources of crude oil and condensate processed in the Company's refineries including crude oil transportation costs, losses and gains, exchanges and own consumption.

Gross Crude Oil and Natural Gas Production

Shell's working interest leases including attendant overriding royalty interests, lessor's royalty interest and interests dedicated to production payments; plus mineral and overriding royalty interests owned by Shell in non-working-interest leases (working interest held by other parties).

Net Crude Oil and Natural Gas Production

Shell's Gross crude oil and natural gas production as defined above less overriding royalty interests, lessor's royalty interests and interests dedicated to production payments attendant to Shell's working interests.

Natural Gas Liquids Production

Shell's share of hydrocarbon liquids extracted from natural gas at natural gas processing plants.

Gross Proved Reserves

Shell's working interest leases including attendant overriding royalty interests, lessor's royalty interests and interests dedicated to production payments; plus mineral and overriding royalty interests owned by Shell in non-working-interest leases (working interest held by other parties) in all liquid hydrocarbons, gas, and sulphur in reservoirs both developed and undeveloped.

Net Proved Reserves

Shell's gross reserves as defined above less overriding royalty interests, lessor's royalty interests and interests dedicated to production payments attendant to Shell's working interests in all liquid hydrocarbons, gas and sulphur in reservoirs both developed and undeveloped.

Percent Proved Reserves Recoverable Through Existing Wells

Estimated amount of hydrocarbons and gas expected to be produced without significant additional capital expenditures.

Net Exploratory Wells Drilled

Shell's combined working interest share in all exploratory wells drilled.

Net Development Wells Drilled

Shell's combined working interest share in wells drilled to recover proved reserves.

Net Oil and Gas Wells Capable of Producing

Shell's share of oil and gas wells capable of producing whether currently producing or shut-in. Those wells in which Shell has an entire working interest represent wells owned entirely by Shell. Wells in which Shell has a net partial working interest represent Shell's working interest share after deducting the interest of others.

Producing Acreage

Leasehold rights consisting of working interests, mineral fee interests and royalty interests, either actually producing or having proved reserves.

Non-Producing Acreage

Leasehold rights consisting of working interests, mineral fee interests and royalty interests which are not productive.



Shell Oil Company